

Dear ECF Bronze member,

## 2017 ECF AGM

I am writing to you to tell you about the ECF AGM which takes place this coming Saturday 14 October and to seek your input on how, as your representative, I should vote. I apologise for the very short notice.

(For some background on the workings of the ECF and its Council meetings, please see the section on the last page of this paper. Following that is a brief report of last April's Finance Council meeting.)

The agenda for the 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). Documents relating to representation of Bronze members can be found [here](#) (please check at the same location for updates if you are interested).

My guess is that the issues likely to be of most interest to Bronze members are:

1. The elections for various director and officer positions (item 7 on the agenda);
2. The proposal for voting reform (item 9); and,
3. The proposal to approve the Board's strategy statement (item 11).

**Please send feedback on these and any other Council issues to me at: [angusmisc@angusf.myzen.co.uk](mailto:angusmisc@angusf.myzen.co.uk)**

Taking each of the issues listed above in turn...

### 1. The elections for various director and officer positions

- There are elections for the following:
  - Director of Finance (David Eustace is standing for re-election)
  - Director of Home Chess (Alex Holowczak is standing re-election)
  - Direct of Membership (Dave Thomas is standing for re-election)
  - One Non-executive Director (this is a contested election: Julie Denning is standing for re-election and Peter Hornsby is standing for election)
  - Chairman of Council (Mike Gunn is standing for re-election)
  - FIDE Delegate (Malcolm Pein is standing for re-election)
- Directors and senior officers now serve three-year terms and elections are rotated with a third of the positions up for grabs (if I can put it that way) at each AGM.
- All candidates seeking (re-)election are volunteers who have or who will put in significant effort to help run the ECF.
- I propose to support all candidates standing for re-election albeit with a few reservations (please see the points which follow).
- Re-election of the Director of Finance. Overseeing the finances and the production of annual accounts and budgets is no small task. I imagine very few people would want to do and be capable of doing this job. I am a little concerned though:

- At last year's AGM a proposal was put to Council to finance an increased proportion of the ECF's expenditure from the trust funds to which it has access. But this was done without (it later transpired – [see here](#)) the prior agreement of the trustees of one of the trusts: the John Robinson Youth Trust (the largest of the funds from which the ECF proposed to draw). This was germane to the proposal but Council was not informed of the situation.
- I'm not sure that the finances of the junior directorate are in order – see [here](#) for further information. I've asked [questions about this](#) but still don't have answers. At the time of April's Finance Council meeting, the Finance Director didn't have the answers either and confessed to me that he hadn't questioned the summary figures provided to him.
- The accounts for 2015/16 were not ready for April's Finance Council meeting (due to the sad loss of John Philpott, the ECF's Financial Controller) and are now presented for the approval of the AGM. However, Council remains without breakdowns by directorate of the actuals for 2015/16 and the forecasts for 2016/17 - these would normally have been published with the spreadsheet for the 2017/18 budget.
- The budget for 2017/18 was for a loss of £19,000 and a loss of that size is not sustainable.
- The contested election for a Non-executive Director. There is some [discussion](#) about this on the EC Forum. I agree with what seems to be the majority view that Julie Denning is better suited to the role. I recognise that Julie has done good work for the ECF. I also recognise Peter's enthusiasm and organisation skills but think he would be better suited to an executive role.
- In spite of my support for Julie's re-election I am concerned about scrutiny of Board decisions. This comes within the remit of the Non-executive directors and if you read the [Board's report to the AGM](#) you might get the impression that the ECF has had a marvellous year without blips. My take is different. Aside from finance issues (see above) and the Board's strategy paper (see below) I've been concerned about the decision to relocate the ECF Office at a cost of £80,000 over 10 years – see [here](#). I wonder: why is there not a Non-execs' report as recommended by the recent Pearce Commission (which reviewed the governance of the ECF) to tell us what scrutiny has been applied?

**Please tell me what you think and whether you agree with voting for those standing for re-election.**

## **2. The proposal for voting reform**

- At April's Finance Council Meeting there was majority support for voting reform to give direct members' representatives a greater say but it was insufficient to allow the Governance Committee to come back with a proposal for a substantial change (since a change to the ECF's Articles of Association requires 75% support).
- We therefore now have a [reduced proposal](#) to increase the number of votes for Direct Members' Representatives (of which the author of this message is, of course, one) from 10 to 40. This in the context of circa 300 votes for other reps, mostly for leagues, congresses and counties. The votes would be split: six votes for each of the Bronze, Silver and Gold representatives; one vote for each of the Platinum and honorary life vice presidents/life members' representatives.

- I believe the proposal should be supported – please see [April's message](#) for rationale. The DMRs represent the members, the people who provide the bulk of the finance for the ECF (through payment of membership fees) and they should have a greater say in ECF decisions.
- There are some related proposals: To allow any member to represent any category of membership; and, to provide voting transparency by reporting on the [ECF website](#) how the votes of each Council member were cast in card votes (save for votes on the elections of individuals).

**I propose to vote for the voting reform proposal and the other constitutional changes. Please let me know if you agree or think differently.**

### **3. The proposal to approve the Board's strategy paper (item 11)**

- The strategy statement can be found [here](#).
- I was critical of the last version of the statement (presented for approval to last year's AGM) and wrote: *"the statement seems to me to be a list of goals rather than strategy per se. There isn't analysis of where the ECF is or a plan for getting from where it is to where it wants to be. Without the discipline of analysis and planning, can you be sure you're headed in the right direction?"*. The same criticism applies to the new version of the statement.
- The previous version of the statement had a headline goal *"Seek to understand and meet the requirements of our members and increase the perceived added value that the ECF provides to its members"*. This has disappeared and, inexplicably (at least in my view) there's no equivalent that I can see of the first part. I would like to see the ECF survey its members and former members to ask them what they think of the ECF and what they want out of the ECF.

**I propose to vote against the approval of the Board's strategy paper. Please let me know whether you agree or not.**

**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 express your views to the ECF representative(s) for the league(s) in which you participate.**

### **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 various directors and senior officers (there are elections for one third of these positions; each director/officer serves a three-year term); 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. And Board members and senior officers are members of Council. Council meetings are usually attended by forty to fifty individuals (some 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 have been a Bronze Members' representative since early 2015. I also represent the Croydon & District Chess League and have attended the last 12 Council meetings. I was briefly a Non-executive Director of the ECF. I was also briefly a member of the ECF's Governance Committee.

I am pleased to report that Gareth Ellis will join me on Council as Bronze Members' Direct Representative. Gareth's appointment takes place from the conclusion of the 2017 AGM.

### **2017 ECF Finance Council Meeting**

This took place in April. The minutes are available [here](#). Ben Edgell's report is [here](#).

I asked for feedback on four issues in particular: on the proposal to abolish game fee; on the budget for 2017/18; on the proposal to increase membership fees; and, on the proposal to pursue voting reform.

I received 39 responses which are summarised [here](#).

The proposal to abolish game fee was approved in amended form on a show of hands: 29 votes for and 1 against. The amendment reduced the penalty fee (for a non-member of the ECF playing more than the quota of games in a graded league) to the cost of Bronze membership (in effect from £25 for adults to £16 for 2017/18). Feedback on the proposal from Bronze members was mixed but with the amendment I felt able to vote for the proposal.

The budget for 2017/18 and the proposal to increase membership fees were voted on together, in a combined motion. They were approved on a show of hands: 27 votes for and 4 against. I was one of those who voted against. Please see my [message to Bronze members](#) for the reasons I voted against which were supported by feedback received. The Bronze membership fee for 2017/18 was set at £16 for adults (an increase of £1) and £9.50 for juniors (a decrease of £1.50). At the meeting I asked about apparent discrepancies in the junior finances but there wasn't an explanation. Later I spoke to the Finance Director during a break and he said the junior budget figures were as had been provided to him and he'd not been able to examine them: a meeting was scheduled with the junior directorate for this purpose.

The meeting roundly rejected two of the three options for voting reform but supported the third – to give increase the number of votes for Direct Members' Representatives from 10 to 100. This was the option favoured by Bronze members and I gladly voted for it. In a card vote there were 119 votes for (58%) and 84 against. Unfortunately, given that implementation of the option would require a charge to the Articles and therefore the support of 75% of those voting, the Governance Committee said it would be unable to take this option forward. The Committee has instead – please see above – come back with a proposal to increase the number of votes for direct members' representatives from 10 to 40 (rather than 100).

It was reported that Richard Haddrell had left circa £400,000 in his will for junior chess.

Angus French, Bronze Members' Direct Representative

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