

Speech given by Angus French to the proposal to cap expenditure from ECF funds on international chess

<The text of the proposal was projected onto a large screen at the front of the meeting room.>

I'd like first to be clear that the proposal is for a cap on the contribution from ECF funds and NOT on expenditure as a whole. Extra expenditure would be possible through sponsorship, donations and, in some cases, income from the trust funds.

The proposal came about as concerns have consistently been expressed in recent years by Bronze members about expenditure on international chess. Concerns were also expressed elsewhere – in Council meetings, on the EC Forum, at my own club. How many players at club level are interested in international chess? I'm afraid not many in my experience. Club players are mostly interested in what it costs them to play graded chess.

Here are some quotes from the feedback provided by Bronze members:

"Speaking as a club secretary, I have had an unprecedented number of enquiries this season. Predominantly they are coming from players who have been playing online and fancy their chances at club (OTB) chess. The majority come for a couple of weeks but, faced with the financial realities, do not take their interest further".

"I play in a chess club and play 12 competition games a year... at £16 to have my games graded that's one pound 25 pence per game. Now there is talk of increasing the fee to £18. At 81 years of age it looks like I'll have to stop playing."

"The ECF is run by elites for elites and the justification of the extra fees is that the elites can be paid to play chess."

There is a perception that increases in membership fees are being used to fund elite chess.

In his election address, when he first stood for International Director, Malcolm said he very much wanted to avoid increasing membership fees to fund international chess. *But this is what has happened, hasn't it?*

Here's a chart to show expenditure – actual and projected as appropriate – from ECF funds on international chess.

<I held up a chart showing net expenditure on international chess. Helpfully Nigel Tower's, the Minutes Secretary, used the projector to show the chart from the paper supporting the proposal.>

For nine years from 2006/7 net expenditure was steady at between a little less than £20,000 and a little more than £25,000. But since then it has increased above £40,000 with a forecast for the current year of more than £50,000. *Why?*

Expenditure on team events sticks out. £42.5K was spent on the 2017 European Teams – with all except £1,300 paid for from ECF funds. £44,755 was spent on the 2018 Olympiad – with £35K coming from ECF funds.

That's well over £4,000 a player to send two five-person teams to each of those events. *Why does it cost so much?*

We don't have breakdowns to show the differences in expenditure between the Open and Women's teams and the *total* amount spent on appearance fees. But I'd hazard a guess that something of the order of £20,000 was spent on appearance fees for the 2018 Olympiad.

<Here my speech was interrupted by Malcolm Pein who stated that the figures I had given were incorrect. Malcolm then read out expenditure figures for several events. The figures Malcolm quoted were for different items of expenditure to those I had quoted; I don't think the figures Malcolm gave were corrections of the figures I had given.>

As I was about to say: Perhaps Malcolm can correct me if I'm wrong and provide a breakdown of the £32,000 fees figure he's provided...

There is a new concern which is that the budget looks very optimistic. There is reliance, after four years of losses or projected losses, on increases in membership fees and membership numbers to turnaround the federation's finances. The finance reports state an expectation that membership numbers will increase by 500 a year for three years. But where are the extra numbers coming from and what if they don't materialise?

I suggest the ECF needs to be more prudent with its finances. And I think it should limit increases in membership fees if it can. To help with this I think it would be a good idea to cap the ECF's own contribution to international chess at £30,000 for the next three years. £30,000 would be in line with expenditure from 2006/7 to 2014/15, allowing for inflation.

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