

## Finance Council Meeting 12 April 2014

### Transformation White Paper

This paper is offered by the Chief Executive. It does not represent the Board's position or recommendation. The purpose is to review the necessity to update foundational instruments at a future Council meeting, to enhance existing consultation practices and to indicate the direction I wish to progress the ECF Strategy (C20.9).

The paper is prompted by the:

- Shortfalls in structure and governance identified over the past few years in Council and Board proceedings, director reports and the Sport and Recreation Alliance representative's report relating to Sport England requirements (C19.7.5.4).
- Council's desire to reform its relationship with the ECF membership as a whole
- Measures needed to work optimally alongside The Chess Trust, should Council approve at Agenda Item 15
- Impediments to attract sustainable sponsorship

Optimal progress on each of these requires changes to Articles and Byelaws; however, the Board is empowered to adopt partial solutions. One partial solution involves enhancing the formal consultation process with an ECF-controlled online facility for Council and ECF members to comment publicly on regulations and policies from an early formative stage. From the ECF website home page, select 'About' and 'Consultations'. This facility differs from the independent blogs such as English Chess Forum in that the ECF Consultations area is not intended for direct conversation among commentators. Rather, it is for input addressed publicly to the principal author of a specific paper to enhance the public scrutiny that may occur elsewhere. The vision is for postings to reflect the qualities found in letters to local planning authorities or national broadsheet editors. Naturally, Council's formal consultation process will be followed when proposing Council action.

Given the fundamental character of changes contemplated below, Council may decide to convene an Extraordinary General Meeting to provide more in-session deliberation than possible in the biannual schedule. In my view, an EGM would be a viable option if enough transformational ideas are developed and vetted into viable proposals, and if Council members were to join the Board in proposing an EGM. As a secondary consideration, timing of a potential EGM would be desirable soon after the British Championships to enable Council to affirm or reconsider EGM decisions in the Board election process. Alternative to an EGM, slower progress toward transformation may also be effective in the normal course of October and April meetings. Council's discussion in October 2013 indicated an ambition for change in Council's relationship with members, women's participation and commercial sponsorship. Council's further discussion on 12 April 2014 would also be useful, particularly if preceded by participation on the ECF Consultation area.

The following are suggested measures derive from a synthesis of the four bullets above. They are presented for discussion only.

1. Re-balance representation at Council among players, arbiters, organisers, coaches and reporters.
2. Permit directors and managers to be paid as a means to recruit and manage relationships with corporate sponsors and to raise standards for delivery of ECF-run championships and member services.
3. Increase terms of office for Board members.
4. Require conflict of interest certification for candidate Board members. Use registered charity standards for directors designated as ex officio charity trustees. Use company standards for other directors. Consider extending conflict of interest certification for other officials involved with selection of players, coaches, arbiters and organisers.
5. Merge the Awards Committee and the Personnel Committee in to a single Recognition Committee. Expand their combined task to include human resource support and oversight for paid staff and volunteers.
6. Establish an Ethics Committee or expand the Governance Committee's remit to include complaints.
7. Maintain restrictions on the size of the Board but realign executive director responsibilities by function, such as below. Note in this structure the mutual support required, as distinct from the current structure that is sometimes regarded as three largely independent business units (home, international, junior) operating autonomously.
  - President
    - ambassador-at-large
  - Chief Executive (ex officio charity trustee)
    - strategic and operational guidance, relations with higher echelon domestic bodies such as the All Party Parliamentary Group, Sport and Recreation Alliance, Sport England, British Olympic Association
  - Finance Director (ex officio charity trustee)
    - budget and finance
  - Player Development Director
    - training programmes and international selection of professional players, amateurs, youth, women, seniors, clubs, schools, prisoners, armed forces, veterans; and their supporting trainers and coaches; junior bursary fund
  - Education, Qualifications and Culture Director
    - Laws of Chess, training and qualification for arbiters, trainers and coaches, general ECF policies, coordination with unions, congresses, independent associations, school associations, charities and chess variant bodies
  - International Affairs Director
    - international delegate, FIDE commissions, coordination with other federations, BICC
  - Commercial Director (paid)
    - sponsor and donor relations, all ECF-run and outsourced tournaments, Grand Prix, logistics planning for all events including training events, equipment, public communications, website, library, merchandise

- Member Services Director (paid)
  - grading, FIDE ratings and titles, future anti-cheating services, community calendar, official travel for teams, awards, personnel, content for the yearbook and newsletters, office management, complaints management, membership drive
- Two Non-executive Directors
  - at least one from outside the chess community

This paper attempts to illustrate the transformational change required to execute the ECF's mission and strategy. The Commercial Director's role and authority are particularly critical to sustainable sponsorship. Online comments prior to the Council meeting and discussion during the meeting are respectfully requested.

Phil Ehr

31 March 2014