

ABOLITION of LEAGUE GAME FEE

This explanatory document is intended to explain the rationale behind the proposed amendments to Bye-Law 2, the Game Fee Bye-Laws. It is an updated version of the draft document posted on the ECF website in February, and incorporates only minor changes from the document.

Why Abolish Game Fee

There are two principal reasons for the Federation to abolish Game Fee.

The first, and most significant, is that it is expensive to administer in proportion to the amount yielded. Of 300 invoices analysed in preparing data for this paper roughly a quarter were for single figure amounts. 60% of the invoices generated only 10% of the income. Both these proportions are after nil returns have been excluded.

The second reason for abolishing Game Fee is that it is seen as an anomaly in the light of the 2012 changes which fundamentally transformed the Federation into a membership-based organisation. It was, indeed, originally intended that it should be abolished entirely at that time, but in the final proposal was retained as a transitional arrangement for reasons explained below. It represents only 10% of the income from members; ending what was only intended as a temporary anomaly would greatly simplify decisions about representation.

Why Retain Game Fee

The reason a residual Game Fee was retained in 2012 was the feeling that requiring a significant minimum payment from players in respect of their first competitive game would represent a significant barrier to recruiting new players to competitive chess. The possibility of a scheme such as the present proposal does not appear to have been considered.

How to Replace Game Fee

Two schemes which appear in principle to be workable have been put forward to replace Game Fee. Although not seen as such by their proponents they are actually not significantly different. Both propose that Bronze membership should be required of all players playing more than a certain number of graded games in league or club chess during a season; they differ only in the number of games and the fee charged (or not charged) to players playing less than that minimum number.

Costing of Scheme

The spreadsheet provided as an Appendix has been constructed from those generated from the grading database for the production of 2015/16 Game Fee invoices.

The first page simply shows the raw data analysed from the grading database extracts. For each number of games, and for each rate of game fee, it shows the number of players to be charged. The total of 4368 items therefore represents the number of entries, not the number of individual players. Due to the methodology employed this number is actually overstated by the small number of cases in which a player has played both standard and rapidplay games in the same event, as these appear in separate columns and are therefore counted separately.

Subsequent pages show calculated game fee income based on the raw data and variable assumptions as to charging regime. Note that in all cases the rates quoted in the heading are gross figures,

inclusive of VAT, whereas a factor of 5/6 has been applied to the figures in the body of the table, making these correct ex VAT and hence directly comparable to budget figures.

The **current** table calculates the income according to the present rules. This is the income which I believe the Federation will invoice for; the total is sufficiently close to the projected outcome for August 2015 given in the 2016 Council papers for me to be reasonably confident of my calculations.

The **proposed** table calculates the income which the proposed solution would have yielded if it had applied in 2015/16. The final total is extremely close to that in the *current* table, suggesting that while there will inevitably be winners and losers the overall effect is an approximate balance.

In summary, the data shows that making no charge for the first three games and requiring Bronze membership thereafter, would maintain the Federation's income at approximately the present level while simplifying collection procedures and reducing the associated costs.

Enforcement

The issue with any scheme where the fee due depends on the number of games played is enforcement. The requirement of Gold membership in a FIDE rated event can be policed at the time of entry, but if we allow three games free of charge we inevitably have the problem of collecting a fee in respect of a player who plays a fourth game after the event. Non-publication of the players grade is regularly suggested as the magic solution to this. While it may be true that the majority of competitive players regard a published grade as a benefit there is a significant minority who would much prefer not to be excluded from grading-limited events. Unfortunately it is greatly to the benefit of the chess playing community as a whole that these players get a published grade; therefore we do not believe that non-publication of grades of individual players is a viable sanction. No other sanction has been proposed that the Federation could impose which would make it sensible for it to be chasing individual members for subscription fees in arrears. The key idea in the present proposal is to make the League in which the games are played responsible for paying the player's membership fee to the Federation. At present a league in which a non-member plays is charged £2.50 for each game they play, which amount to £10 for a player who plays four games, increasing steadily and without limit as the number of games increases. Under the present proposal they would pay £25 for each adult player and £12 for each junior player playing four or more standard play games; this is unlikely to be a major sticking point with the Leagues. From the Federation's perspective it would eliminate the invoices for silly amounts, and greatly simplify the generation of the remainder.

Rapidplay

The proposals follow the custom of treating two rapidplay games as the equivalent of a single standard play game. This was always intended but not made explicit in the previously circulated version of this document.

Juniors

Junior Game Fee, at 60p per standard play game, was set ridiculously low. It is simply uneconomic to collect at this rate. Given the subsequent introduction of introductory free junior silver membership there is now no entry barrier to competitive junior chess. The Board therefore see no reason to modify the regulations for junior players, despite the apparent contrast of charging £12 for four games rather than £2.40 as at present.

Players in Multiple Leagues

Approximately a quarter of non-members analysed have played in multiple events. If Leagues are to be made responsible for the membership payment then the liability cannot depend on circumstances outside their knowledge or control. Therefore it will be essential to allow players three free games in each league in which they play. However, only 270 players (less than 10% of non-members) have played more than three games in more than one event. The double-charging of these players is not regarded as a serious objection to the scheme.

Process

This paper outlines the reason for the proposed change. The amendments to Bye-Law 2 necessary to implement these changes are published separately.

In summary, the changes to Bye-Law 2 are:

- New clauses 4.5.1, 4.5.2 and 4.5.3 embody the proposed substantive changes to the regulations; these are the real matter of principle on which discussion should concentrate.
- Other changes are of a minor nature, and should not be contentious:
 - Clause 4.4.2 represents a simplification of regulations on dates when payments fall due.
 - The original clause 4.5 has been relocated (verbatim) to become clause 4.9, the existing clause 4.9 becoming 4.10.
 - The quotations from the Articles of Association have been updated to reflect the current versions.
 - Certain transitional provisions required in 2012 but now obsolete have been deleted.

These proposals have no effect on the existing arrangements for pay-to-play fees in congresses. However, Council should note that while the current pay-to-play fee of £7 appears in the text of the Bye-Law the Board propose under item 7(d) that this should increase to £7.50.