

**REPORT BY THE CHAIRMAN OF THE GOVERNANCE COMMITTEE**

This is my final report to Council as Chairman of the Governance Committee as I have decided for various reasons not to seek re-election. I thought that I had ended my career as a senior Officer when I stood down as Chairman of the Finance Committee in October 2006, a year after the transition from the BCF to the ECF had occurred. I returned to the colours in April 2008 following a deathbed request by John Dunleavy, Chairman of the Governance Committee at the time. At the time I had expected this to be a temporary appointment, but I carried on for longer than intended as I rather unexpectedly found that I was enjoying the role. Unfortunately there has been very little fun to be had in the last year in ECF senior circles as the Board has been fire fighting one problem to another, distracting Officers from pushing forward with the important developments that are under way. There is no doubt that the general atmosphere has contributed to my decision no longer to seek to hold elected office.

A second factor is that in common with many member of Council I have for many years held a great many different offices with various chess organisations, and have had a constant juggling act to try to keep on top of the various tasks. It may well be related to the ageing process, but in the last 12 months I found it increasingly difficult to cope with everything while sustaining a demanding full time job. Something was going to give and I am guilty of a serious failure in never quite managing to launch the 2011/12 County & District Correspondence Chess Championships, and not keeping captains properly informed of the extent of the developing problems. While that is not directly related to my Governance role, I would like to use this report to make an unqualified public apology to the players and captains concerned: hopefully the competition will flourish under new management. Although I have now retired, the general lesson that I have taken from this is to try to restrict the number of posts that I hold so that I can do proper justice to a selected few (and maybe even have a bit more time to play chess), and I am standing down from several positions as a result.

More positively, there is an administrative role which I believe that I can usefully fill within the ECF. The Board is (or at least should be) concerned with matters of policy, and Directors do not really wish to have to concern themselves with the minutiae of running the organisation on a day to day basis. The Office staff are extremely hard working and dedicated, but would welcome more direction than they have been receiving. I believe that I am well placed to fill this gap and help keep the organisation ticking over. I volunteered for the post of Company Secretary last year because the previous occupant of the post had been relatively inactive, and in practice the Chairman of the Governance Committee was having to deal with the functions of this role in respect of elections and meetings, while the already over-burdened Chief Executive was having to deal with Companies House filings. Chris Mattos is standing for election as Director of Finance: I have discussed with Chris the possibility, should he be elected, of my undertaking a financial controller type role to complement the more strategic role (as recommended by the Chairman of the Finance Committee in April) that he envisages pursuing. Such a post combined with Company Secretary will provide me with a

worthwhile post-retirement function to discharge for the ECF, but I would regard myself in this role as too much of an insider for this to be consistent with being an ordinary member of either of the Standing Committees which I regard as forming part of the checks and balances of the organisation. I nevertheless expect to have regular interaction with both Committees going forward.

### **The Committee**

Throughout my period as Chairman, I have benefitted from the advice and support of Richard Haddrell and Andrew Leadbetter. At the time of last year's AGM, the Committee was a little short in numbers following the decision of John Paines to stand down, and I was very pleased when Chris Majer volunteered to step up to the plate and was appointed by the Board under Article 58 to join the Committee. I am even more pleased that Chris is willing to stand to succeed me as Chairman of the Governance Committee and I commend his candidacy to the meeting.

### **The Board**

The Chairmen of the Standing Committees are included on the Board circulation list, and are by convention invited to attend Board meetings. With an increasing number of these meetings taking place by Skype call (another welcome economy measure, following on from the switch to electronic mailings), my attendance record in the last 12 months has been almost respectable. I would like to make a few observations.

- (1) I have previously expressed a concern that decisions are not necessarily being taken at the correct level: at one extreme, minor routine matters are being referred to the Board for decision which do not really need to be dealt with by the Board at all, while at the other extreme decisions are taken by an individual Officer or Director which in some cases (even without hindsight) clearly ought to be dealt with further up the line. There is no easy answer to this barring a culture change, but this has undoubtedly contributed to the difficulties of the last 12 months.
- (2) The use of e-mail resolutions has undoubtedly streamlined Board proceedings. There is, however, perhaps a tendency to over use these, as they are only suited to simple yes/no decisions where no debate is appropriate.
- (3) Being a member of the Board brings with it certain administrative obligations which need to be dealt with, tedious though these may seem. In particular, it has been a matter of frustration to me that a significant number of reports from Board members are not available on the date that the AGM agenda has been issued.
- (4) With the use of Skype, Board meetings have tended to be arranged on a more ad hoc basis, and the dates of meetings are not generally known outside the Board circulation list. It would be a good idea if meeting dates were publicised, so that those wishing to raise matters with the Board know when to submit these.
- (5) The practice of publishing reports on Board meetings has tended to be intermittent, and I have previously drawn attention to the gap in the sequence between meeting 39 (November 2009) and meeting 49 (October 2010). The most recent report on the website as of today relates to April 2012. This really is not good enough: if the Board

is serious about maintaining good communications with members, it is important that a firm commitment is made to publish reports with a relatively small number of working days.

### **Written resolutions**

I have been involved with the two written resolutions which the Board has invoked to obtain a decision from members of Council outside a formal meeting. These have both proved to be fairly hard going (with the written resolution on the 2012/13 budget still struggling to get over the finishing line at the date of writing), and in my view should only be resorted to in cases of emergency. The difficulty, as with Board e-mail votes, is that these are only really suited to simple yes/no decisions.

There is probably more to be said for this approach in the context of a written resolution proposed by members as an alternative to convening an Extraordinary General Meeting.

### **The British Chess Federation**

I have been concerned for some time that the British Chess Federation has not been taken sufficiently seriously as an organisation by its Board (which is the same as the ECF Board). The BCF agenda once again indicates that the accounts are not available at this stage (but this time around it is the 2011 as well as the 2012 accounts that are missing), and there is no report by the Management Board: indeed there has only been one such report since the ECF was created, although this is an explicit requirement of BCF Constitution.

This state of affairs really cannot be allowed to persist.

### **What is the role of the Governance Committee?**

I end with this question partly because I have been approached on numerous times in the last year in respect of matters that I would not have immediately regarded as governance issues. To quote one example among many, is the format of data provided to graders really a governance matter? The Committee is the direct successor of the BCF Constitution Committee, and I remind Council of the description of the Committee in the Articles which requires it to:

“advise the Board and Council on the governance of the Company and in particular on the texts of Bye Laws and Regulations”.

It should not be a first port of call for grievances, nor should it act as an unofficial Appeals Committee. While its role is centred on the Bye Laws and the Regulations, I would nonetheless tend to interpret “the governance of the Company” in a relatively broad way, and would always do my best to help resolve problems that arise. When things do go wrong, it is generally the Board which should be held to account. Having said that I do feel a strong sense of collective responsibility and wonder what could have been done differently to prevent the problem from arising. It will now be for others to wonder!

John Philpott, Chairman of the Governance Committee  
18 September 2012