

**ANNUAL GENERAL MEETING**

Report from Chairman of the Governance Committee.

*Introduction*

The past year has been a year of transition, with changes in the membership of the Governance Committee, but also one marked by considerable improvement in the cohesive functioning of the ECF Board. It has also been a very active year on the governance front, with much effort being directed towards implementation of the recommendations of the Independent Constitutional and Governance Review Commission (the "Pearce Report").

*The Board*

Turning first to the improvement in the functioning of the Board, there has been no sign on the Board of the arguing, inability to work together or misadministration reported by my predecessor this time last year. Rather, the Board is functioning as a team and, whilst there are inevitably occasional differences of opinion on certain issues, these are being dealt with in a generally amicable manner. The Board also appears to be operating considerably more cohesively and efficiently than in recent times. The Board has put considerable effort into the development of its strategy paper which provides clear indications of where future effort should be expended, although there is a lot of detail that, of course, needs to be worked out. It is too early to pass comment on the extent to which implementation of the recommendations of the Pearce Report will give rise to change in Board practice and behaviour; that is one for future years.

*Areas for Improvement*

There are, of course, areas where improvement is needed. I would draw particular attention here to, first, the fact that the Board was quite properly criticised for the very late production of the budget papers needed for April's Finance Council – the Board is aware of this failing and is committed to improvement. Secondly, although not an uncommon occurrence in recent years, it was not acceptable that the later items on the agenda at April's Finance Council were either not considered at all or were considered with undue haste. There were a number of factors that contributed to this, but the biggest contributor was the amount of time devoted to board presentations where a lot of the material could have, instead, been circulated in advance of the meeting. The Governance Committee will liaise with the soon-to-be elected Chairman of Council to seek to ensure that, in future, agendas are fully dealt with.

The Pearce Report recommends that the annual report of each Standing Committee sets out specific recommendations for Council to endorse and for Council or the Board, as appropriate, to implement, with agreed time limits for implementation. Apart from the above failings, which are being dealt with as described, the Governance Committee has no items for specific recommendation this year.

### *The Pearce Report*

A very substantial majority of the recommendations of the Pearce Report have, due to the efforts of the Governance Review Sub-Committee of the Board ("GRSC") (chaired by Julie Denning and whose members comprised a number of Directors together with the members of the Governance Committee), now been implemented including, most significantly:

- (i) the introduction of the post of Chairman of Council;
- (ii) the re-introduction of the post of Non-executive Chairman of the Board;
- (iii) the introduction of three year terms for Board Members and Standing Committee Members;
- (iv) changes in reporting lines between Board members;
- (v) there being a single unified executive Board report to Council;
- (vi) significant amendments to Regulation No.2 (setting out the responsibilities of Directors and officers);
- (vii) various other amendments to a variety of ECF constitutional documents.

There is a small number of recommendations of the Pearce Report that have not yet been implemented. These are as follows:

- (i) the ability of the Board to remove the FIDE Delegate – this is being dealt with by a special resolution being put to this year's AGM;
- (ii) use of voting power by Representative Members on behalf of Representative Organizations – here it is not clear that any necessary reform should be at the ECF rather than at the Member Organisations themselves. If the view were taken that change should be achieved by amending the ECF constitution, it is far from clear how such change would be policed. This is an area which the Governance Committee will consider further;
- (iii) the creation of two new posts of Men's and Women's Elite Players' Representative;
- (iv) greater co-ordination with the Chess Arbiters Association so as to give greater access to FIDE laws and interpretations;
- (v) finalisation of an annual calendar of reports and articles;
- (iv) the removal of some redundant references to game fees in Bye-law No.1 and Bye-Law No.2.

### *Voting Reform*

The Governance Committee has been addressing its mind to the question of voting reform and will produce a paper setting out a number of schematic “strawman” proposals no later than the first few weeks of 2017 for discussion at April’s Finance Council. If any of the proposals gain sufficient support, detailed proposals for reform will then be put to next year’s AGM.

Finally, my thanks to all the other members of the Committee for their help throughout the year and, in addition, particular thanks to Julie Denning, through her chairing of the GRSC, for guiding the way to implementing the Pearce recommendations.

Robert Stern 19 September, 2016