

ECF Council Meeting April 2019 Minutes

The ECF Council met on Saturday 27th April at the Ibis Hotel, Ladywell Walk, Birmingham. A full agenda and all associated paperwork can be found [here](#).

Present - There were 40 attendees as follows:

Officers - Mike Gunn (*MG - Chair, Surrey Border League, and Surrey Congress*), Mike Truran (*MT - Chief Executive, 4NCL, Kidlington Congress, Witney Rapidplay, Witney Weekend Congress, and Oxfordshire*), Nigel Towers (*NT - Warwickshire Chess Association and Acting Secretary*), Julian Clissold (*JC - Non-Executive Chairman and Manchester Chess Federation*), Tim Herring (*TH - Finance Committee Chairman*), Robert Stern (*RS - Governance Chairman and Central London League*), Adrian Elwin (*AE - Home Chess Director*), Chris Fegan (*CF - Women's Chess Director, CSC and North Essex*), Malcolm Pein (*MP - International Chess Director and FIDE Delegate*), David Eustace (*DE - Finance Director*), David Thomas (*DT - Membership Director*), Julie Denning (*JD - Non-Executive Director, Sussex, Mid-Sussex League and Crowborough Congress*), Stephen Woodhouse (*SW - Non-Executive Director*) Gary Willson (*GW - ECF Office*).

Delegates - Roger Emerson (*RE - Gold Members' Representative*), Michael Farthing (*MF - Silver Members' Representative and Lancaster and Morecambe League*), John Reyes (*JR - Silver Members' Representative, South East Lancashire League, Stockport Chess League and Stockport Rapidplay League*), Angus French (*AF - Bronze Members' Representative and Croydon and District League*), Gareth Ellis (*GE - Bronze, Northern Counties Chess Union, Lancashire, Warrington and District Chess League*),

Ian Clark (*IC - Dorset and Bournemouth and District League*), Chris Cook (*CC - Hertfordshire*), Paul Cooksey (*PC - Berkshire*), Nick Faulks (*NF - Bronowski Trophy*), Scott Freeman (*SF - Coulsdon Chess Fellowship*), Simon Gilmore (*SG - Derbyshire*), Roger Hardy (*RH - West of England Chess Union*), Nigel Hosken (*NH - Gloucestershire and North Gloucestershire Chess League*), Peter Hughes (*PH - Birmingham & District League*), Gerry Jepps (*GJ - Frome*), Alan Leary (*ALR - Herefordshire*), Andrew Ledbetter (*ALD - MCCU*), Steve Mann (*Yorkshire and Doncaster Congress*), Mark Murrell (*Southern Counties Chess Union and Essex*), Alex McFarlane (*AMcF - Northumberland and Scarborough Congress*), Robert Richmond (*RR - Nottinghamshire*), Mark Rivlin (*MR - London Chess League*), Paul Shepherd (*PS - Surrey*), Brian Valentine (*BV - Bedfordshire*), Tim Wall (*TW - Durham*), John Wheeler (*JW - Hampshire*), Rob Willmoth (*RW - Barnet Knights and Chess Coaching Services*).

Apologies- Alex Holowczak (*AH - Home Chess Director*) sent his apologies as he was unable to attend.

The meeting started at 1-30 pm.

1 Appointment of Chairman – Mike Gunn (MG) was confirmed as the meeting chair.

2 Observation of a Minute's Silence to remember colleagues who have died since the last meeting. The recent passing of colleagues was recognised by a minute's silence.

3 Notices

- Location of printed lists of apologies for absence – As above;
- Members voting by individual proxy and members voting by proxy to the Chairman. - Noted and available;
- Announcement of others in attendance with the permission of the Chairman – It was noted that Gary Willson (GW) was in attendance on behalf of the ECF Office;

- Appointment of Tellers – Paul Shepherd (PS) and Mark Murrell (MM) were appointed as tellers; Michael Farthing (MF) acted as Voting Registration Officer;
- Voting Register – The voting register was noted and available to the Voting Registration Officer and tellers.

4 - Approval/ Correction of the Minutes of the AGM – The AGM minutes can be found [here](#) and were approved subject to three amendments as follows:

- The former secretary of the Yorkshire CA should read David Milton rather than David Clark;
- Tim Wall (TW) asked that the reason for his late arrival be recorded as a car breakdown rather than unforeseen circumstances;
- Under Item 5 (correction of the Finance AGM Minutes) the reference to Olympiad Budget should be changed to Olympiad Actuals.

5 - Matters Arising from these Minutes and not otherwise on the agenda – There were no matters arising.

6 – To Receive the Report to Council from the Chair of the Finance Committee Tim Herring (TH) – The report was received with commentary from TH and noted by Council.

7 – Part (i) - To Receive the Report to Council from the Finance Director David Eustace (DE) – The report was received with commentary from DE and noted by Council.

The accounts for 2017/2018 were tabled for consideration. DE noted that expenditure included:

- Azolve membership system implementation;
- Provision of a direct debit facility;
- Outsourcing of services including bookkeeping;
- Completion of the Office move.

DE also noted that Tradewise support for the Hastings Congress had been provided direct to the congress and that the British Championships had been supported by:

- Capital Developments Waterloo Sponsorship;
- John Robinson Youth Trust;
- BCF Permanent Investment Fund (PIF) Payments.

DE indicated that there had been an actual loss of £14.8k for the year which was slightly better than the budgeted loss of £18.1k, with the ECF's reserves as at 31st August 2018 standing at £99.3k.

Angus French (AF) asked why the accounts showed £10k spend against £2k budgeted for LMS. DE answered that the auditor had decided that the LMS spend should not be capitalised and the costs had therefore been taken to the accounts as revenue expenditure.

The accounts for 2017/2018 were approved unanimously.

The financial position and forecasts for 2018/2019 were tabled for consideration. DE indicated that there was a forecast loss of £52.1k for the year which was close to the budgeted loss of £50.4k.

AF asked about progress with payment of trust fund monies and the appointment of a Development Officer.

DE replied that the October BCF Council had agreed the transfer of PIF 2 funds to the Chess Trust subject to Board agreement. There had been a number of follow-on Board discussions with an agreement to transfer

£70.5k this year from PIF 2 to the Chess Trust with £23.5k per year to be paid from the Chess Trust to the ECF over three years to provide support for the Development Officer, Women's Chess and International Chess. The Board had also set a target for June 2020 for a decision on whether or not to ask the Chess Trust to accept the balance of the PIF 2 funds..

DE reported that the Board had now written to the PIF and Chess Trust trustees with a request for suitable transfers between the trusts and payments of funds to the ECF. The PIF and Chess Trust trustees were due to meet on 15th May when the Board was expecting the arrangements to be considered..

DE clarified that the request in respect of the Development Officer will be for £10k from the Chess Trust (to fund a basic salary) with expenses and bonus to be funded from increased membership fees.

The financial position and forecasts for 2018/2019 were noted.

The budgets and proposed membership fee increases for 2019/2020 and 2020/2021 were presented for approval (in the case of 2019/2020) and approval in principle (in the case of 2020/2021).

DE indicated that the October Council Meeting had already agreed a 2019/2020 budget in principle subject to approval at the April Finance Council (this meeting) and that he was presenting the same budget for 2019/2020 as in October with some minor amendments to the membership fee amounts but no significant difference to the overall figures. DE also indicated that the budget was dependent on the projected membership growth being achieved and the new membership rates being agreed. This was to be supported by a use of reserves in 2019/20.

John Reyes (JR) asked when the ECF had last made a surplus and when it expected to return to making a surplus once again.

DE explained that the ECF had last made a surplus in 2016/2017 and the expectation was that the ECF would return to making a surplus by the end of financial year 2020/2021 which would start to restore the ECF's reserves to a level at which they would cover six months expenditure.

There was an extended discussion of the various areas of the budget with a number of questions and contributions from Council members.

AF indicated that in his view the reserves looked too low in 2019/2020 and were based on a projection of increasing membership numbers when it was not clear where these numbers would come from. TW asked where the increase in membership numbers would come from and who were the expected new members.

DE explained that he was not overly concerned in relation to the short-term reserve position as the ECF membership payments were due in August and would be expected to restore the reserves to an acceptable level.

Dave Thomas (DT) explained that the budget for 2019/2020 was based on a projection of future membership numbers as at April 2018 and had set a baseline which was 400-500 members higher than the actual figure at the start of 2019/2020. He indicated that although the baseline was too high the recent rate of increase had been in line with what the Board was looking for. He noted that at the local level there was a steady flow of people coming back to chess in their 40s and 50s and that many clubs were providing a more attractive environment for juniors with a corresponding increase in junior member numbers.

DE said that it was up to all ECF Officers and Council members to help make the membership product more attractive to new players and prospective members.

Mike Turan (MT) noted three key challenges to increasing membership numbers:

- Retaining juniors;
- Attracting more women players;
- Drawing in social players.

Members of the Board expressed their view that it should be a joint responsibility of all parts of the ECF to attract new players and members and that the ECF would look to the Development Officer to support organisations in doing this.

There was some debate over where responsibility lay for attracting players and members and how that could be achieved.

Rob Willmoth (RW) said that he represented a club (Barnet Knights) with 230 junior members and if more clubs and organisers could find a way of attracting secondary school and girl chess players, this would create a much bigger pool of new players and members which would reduce the need for membership increases.

Paul Shepherd (PS) explained that his County (Surrey) was keen on increasing Women's participation and asked whether the ECF has a target for the number of female players / members it was seeking to achieve.

Chris Fegan (CF) explained that he has a £15k budget for Women's chess including £10k for elite (i.e. competitive) chess and £5k to attract new players. He was developing KPIs and specific targets for new players/ ECF members and was looking to hold a women's chess conference to help with this initiative. CF agreed to publish his KPIs and produce a target for new female players/ ECF members for the October Council.

PS asked whether LMS costs were double-counted in the budget. DE explained that they were not double-counted and that the funds in the budget were in respect of maintenance and support.

TH provided a short presentation with his view of how the ECF's budget was funded from different membership groups. TH suggested that one interpretation of his analysis might be that all membership groups support the common costs of running the ECF excluding International costs, that Bronze members fees broadly covered their allocated costs, and that contributions to International were primarily met by Platinum/Gold members with a contribution from Silver members and an amount from reserves.

There was some discussion of the cost allocations including whether member support costs should vary by the number of games played.

Roger Emerson (RE) made the point that much of the grading process was carried out by graders on a voluntary basis and should not impact ECF Office costs. There was a debate on how the Office costs could be reduced. RE asked whether fees could be collected and members supported via online channels only. DE responded that it would not be practicable to mandate that everyone should pay their fees online and that in any event online membership payments would still need Office support in processing applications, answering questions, and resolving issues. Gary Willson (GW) said that the Office was now using the new Azolve membership system and that he felt that Office processes were becoming more efficient.

The Chair elected to consider Items 8 and 9 (these being counter-motions to the Board's proposals) before voting on the Board's budget proposals and proposed fee increases.

8 – Motion to Limit Membership Fee Increases to CPI - Council is asked to consider, and if thought fit,

approve the following resolution from Bill O'Rourke (NCCU) (BO'R):

- a) That increases in ECF membership fees for the 2019/20 season should be limited at maximum to a rise in line with CPI inflation rate, and preferably to no increase;
- b) That the ECF investigate with great haste the best and quickest way to release trust fund monies to support their proposed youth development plan, and to publish these facts for membership's awareness as soon as possible.

TW presented the motion on BO'R's behalf. He indicated that the motion was reflective of what in his view was a general grass roots resistance to the ongoing increases in membership fees, which it was felt might put people off joining the ECF and playing competitive chess.

Malcolm Pein (MP) explained that in relation to part (a) CPI was currently running at 2.4% which meant the motion was seeking to limit any Bronze membership fee increase to 38.4 pence per annum. DE then pointed out that ECF costs are rising at more than CPI which meant that limiting fee increases to CPI would not be sustainable.

DE and MT explained that in relation to part (b) the Chess Trust is already funding junior chess to the tune of £40k a year and has been asked for a further £23k a year by the ECF; this represented a significant part of the Trust's total value. The John Robinson Youth Trust's approach is not to release capital, and the ECF has no direct representation on the John Robinson Youth Trust.

Stewart Reuben (SR) pointed out that there had been many bequests to the ECF over the years. However, it was unlikely that benefactors would continue to make such bequests if they felt that their money would be used simply to reduce membership fees.

After some discussion it was proposed and agreed that only part (a) of the motion should be voted on, given the recognition by Council that part (b) was already covered by the ECF's ongoing activities in relation to seeking access to trust fund monies.

TW was asked to summarise the motion he was putting to Council and respond to the points that had been made. He noted the general reluctance to accept the increases among members, and suggested that some incentive might need to be offered if fees were being raised, for example the provision of a magazine or perhaps more discounted subscriptions.

The motion to limit membership fee increases to CPI was voted on by show of hands with those in favour being 11 and those against 19.

A card vote was requested and the motion was rejected by card vote with voting as follows:

<i>Those for</i>	<i>93</i>
<i>Those against</i>	<i>190</i>
<i>Abstentions</i>	<i>8</i>

9 – Motion to Cap the Spend on International Chess - Council is asked to consider, and if thought fit, approve the following resolution from AF and Gareth Ellis (Bronze Member Reps), John Reyes and Michael Farthing (Silver Member Reps):

That the contribution to International Chess from the ECF's own funds is capped at £30,000 per annum for 2019/20 through to 2021/2022 (for three years) after which it should be subject to review.

AF presented the motion. AF indicated that the motion had come about as a result of repeated concerns expressed by some Bronze members in relation to increases in ECF fees and spend on International. As a club secretary he noted that new players were often not taking their interest further after a couple of weeks and that in his view ECF membership was not an attractive proposition for those who only wanted to play a few games over a year. He noted that there was much talk from the ECF about International chess and there was a perception that the ECF was run by the elite for the elite.

AF showed a graph from his supporting paper with the increase in International spend and asked why spending was increasing so much and why it cost £4.5k per player to send teams to an event. He said that he had not received a breakdown of the figures for the 2018 Olympiad appearance fees despite requesting this from MP.

In response MP said that he had already provided this breakdown to AF by email in relation to the last two Olympiads and European Team Championships.

AF then questioned where the projected increase in membership numbers would come from to fund the budget proposals. He indicated that the proposed cap on International spend should reduce the need for fee increases and the risk of further depleting reserves.

In response MP presented the KPIs for his directorate. He explained that he was looking to ensure a credible level of professional chess in England with a group playing competitively at International level and acting as role models. He explained that his funding from the ECF was £43k and his expenditure was largely determined by the need to send teams to at least one International event per year with £15.5k spent directly on European travel and hotels. He noted that he had personally raised £40k in sponsorship for International chess outside of the ECF and a further £17.5k in sponsorship for the World Team Championships. He then reviewed achievements against targets including the English teams' outstanding performances at recent events. He also noted that Gawain Jones had recently exceeded a rating of 2700, which was warmly recognised by attendees at the meeting. MP said that many people had come to him personally to congratulate the teams and individual players on their recent performance.

MP then read out details of ECF spend on recent Olympiads and European Team events from 2015 to 2018, as provided separately to AF.

The relevant Team Costs paper is now available with the Council Papers, and can be found [here](#).

CF said that he had been contacted by some of the top female players who were concerned that the motion might mean the ECF having to cut support for a women's team.

MF said that his consultations had indicated support of about 2:1 in favour from Silver members for the motion and that he felt it was an important motion to consider.

A number of delegates noted that on the other hand Gold Members were heavily against the motion and in favour of supporting International chess.

Rob Willmoth (RW) said that he was proud of the English teams and asked whether the chess community could market the successes more actively as it should be a good way to bring more juniors into the game. He stated that he would not support the motion. TW said that chess clubs could show International tournaments with a commentary to juniors and club members to help promote English chess.

Stewart Reuben (SR) explained that in his view the proposal was flawed and Council should not be

attempting to tie the ECF's hands for a number of years at an AGM. He said that just as in other walks of life chess players needed heroes and role models and he would also not support the proposal to cap English International spend at a lower level.

Alex McFarlane (AMcF) said that he supported RW and SR's views but he also supported AF in that few Bronze members were aware of the English successes and many players might not feel they would want to emulate them.

MP responded that he thought this unlikely as it would mean Bronze members did not look at the ECF website or at the newsletter, yet the ECF office had the figures for the numbers of members opening the newsletter and they were a healthy percentage of the overall membership.

AF was asked to summarise the motion and respond to the points made. He said that contrary to some of the comments made he had never belittled English teams. Also, he felt that he still had not been given information on why it cost £40k to field an English team and how much was being spent on appearance fees. He also saw a divergence between the ECF's International programme and grass roots views on where money should be spent.

The motion to cap the spend on International Chess was voted on by show of hands with those in favour being 10 and those against being 18.

A card vote was requested and the motion was rejected by card vote with voting as follows:

<i>Those for:</i>	65
<i>Those against:</i>	230
<i>Abstentions:</i>	5

Item 7 – Part (ii) - Voting on the Budget and Membership Fee Increases

DE put forward his finance motion to approve:

- The proposed budget for 2019/2020 and 2020/2021;
- New membership rates for direct members, game fees and pay to play fees for 2019/20 and 2020/21,

with figures as set out in his report.

The figures for 2019/2020 were to be approved and the figures for 2020/2021 for approval in principle only.

The proposed membership fees were discussed and three apparent anomalies were raised as follows:

- The junior game fee at £7.50 was higher than the Silver and Bronze joining fees at £6 for 2019/2020;
- The second year silver membership fee increase was £1 more than the Gold membership fee increase;
- The FIDE rated events fee was £11 for both years, which was not in line with the difference between silver and gold membership.

DE responded to these comments by agreeing that the non-member junior game fee should be reduced to £6 for both years before considering the motion further and that that he would review the second year's Silver membership fee to bring it more in line with other membership fee rates. He indicated that he intended to leave the FIDE rated events fee at £11 to avoid the fee being set to £12 in 2019/2020 and reducing to £11 in

2020/2021. DE's statement was accepted as an amendment to the motion with respect to the table of proposed membership fee increases.

Robert Richmond (RR) said that he was speaking as a proxy for the Platinum delegate Francis Bowers who was unable to attend the meeting. He proposed an amendment that the Gold membership rates should be increased from £39 to £41 and the Platinum rates from £75 to £80 with associated changes to the relevant junior rates which he felt should avoid the forecast deficit for the coming year. The amendment was seconded by AF.

The amendment to increase Gold and Platinum rates was voted on by show of hands and defeated by a large majority.

RE proposed that the vote on the Board's motion should be limited to formal approval of the budget and membership fees for 2019/ 2020 only, recognising that Council had already given in principle approval for the 2019/2020 and 2020/2021 figures.

RE's amendment to consider only the 2019/2020 figures was voted on by show of hands and agreed with 17 in favour and 13 against.

Votes were therefore taken on the 2019/2020 membership rates and budgets (with agreed amendments to the membership rates for 2019/2020 as proposed by DE above).

The proposed 2019/2020 membership rates were voted on by show of hands and approved with 26 in favour and 6 against.

The proposed 2019/2020 budget was voted on by show of hands and approved with 27 in favour and 2 against.

10 – County Championships

CF proposed a motion that all teams in the ECF stage of the County Championships Open section from the 2019/20 competition onwards must include at least one female player. That female player shall be deemed to satisfy the qualification requirements for playing in that team.

CF explained that the motion was intended to increase female participation in the County Championships which he saw as one of the ECF's flagship events and that his proposals were in line with the 4NCL's requirement for a female player in first division teams.

There was some discussion over the practicality of the proposal for Counties who did not have a pool of female players above 160 grading. There was also a concern that the proposal as worded did not explain the sanction which would be applied if a County team did not include a female player – e.g. would the County default the match or lose a point or would there be some other sanction. The removal of the eligibility rule was also questioned.

TW proposed an amendment for the motion to read as below to offer Counties an incentive for female participation rather than a sanction, and to restore the eligibility rules which he felt should apply equally to all.

The amended motion was as follows.

A team in the County Championships shall receive one extra point if it fields at least one female player in the National Stage, starting from the 2019/2020 season.

The wording of the amendment to the motion was voted on and agreed with 14 in favour and 8 against.

The amended motion was then voted on by show of hands with 14 for and 11 against.

A card vote was requested and the amended motion was rejected by card vote with voting as follows:

<i>For -</i>	<i>88</i>
<i>Against</i>	<i>91</i>
<i>Abstentions</i>	<i>34</i>

11 – Counties' Membership Fees

Should all Counties pay the minimum membership fee if they submit no games for grading? The Chairman will conduct a straw vote.

MG explained that the Articles required Counties to pay the minimum fee if they had no game submissions to offset against the fee. The ECF had not been invoicing three Counties with no games submitted for some time and was seeking guidance on whether it should be looking to start collecting the minimum membership fee for these Counties.

A straw vote was conducted and it was agreed that Counties with no games submitted should be approached to pay the minimum membership fee with 17 for and 4 against. The Board was asked to note and act on the results of the straw poll.

12 Any Other Business of Which Notice Has Been Given to the Chairman of the Meeting

There was no other business.

The meeting closed at 6.11 pm.