



**Minutes of the 136th Board Meeting of the English Chess Federation  
24<sup>th</sup> January, 2019  
Ibis Styles Birmingham Centre, 65 Lionel Street, Birmingham, B3 1JE**

**11.30 a.m. – 5.00 p.m.**

**Members:**

President, Dominic Lawson	Apologies	DL
Chief Executive, Mike Truran		MT
Director of Finance, David Eustace		DE
Director of Junior Chess, Alex Holowczak		AH
Director of International Chess, Malcolm Pein	Apologies	MP
Director of Home Chess, Adrian Elwin		AE
Director of Membership, David Thomas	Apologies	DT
Non-executive Chairman, Julian Clissold		JC
Non-executive Director, Julie Denning		JD
Non-Executive Director, Stephen Woodhouse		SW
Director of Women's Chess, Chris Fegan		CF

**Invited: Observers and Guests**

Chairman, Finance Committee, Nick Faulks	Apologies	NF
Chairman, Governance Committee, Robert Stern		RS
Meetings Secretary, Nigel Towers		NT

**1. Apologies for Absence**

Absences were noted as above.

**2. Appointments**

JC was appointed as Chair.

**3. Approval of the Agenda**

The agenda was approved with the Junior items brought forward to accommodate AH who was only able to attend in the morning.

**4. Minutes of 135th Board Meeting**



The minutes were approved with an amendment to clarify the planned transfer of PIF funds to support monthly grading.

#### **5. Junior Director's Report (AH)**

AH indicated he had nothing to report for the period since the last meeting.

He explained that he was considering whether chess related achievements could be used as input to UCAS points. JC indicated that he would put AH in touch with the vice-chancellor of Bolton University to discuss whether this could be taken forward. Action: JC

AH also noted that invitations had been issued for the World Cadets/ European Schools Championships in Crete, with bookings being managed by Bridge Overseas.

#### **6. Finance Report and Management Accounts for 2018/19 and 2019/20 to Date (DE)**

DE referred to the Finance report and the management accounts tabled for the meeting.

#### **2018/19 Results**

The first part of the report referred to the year ended 31<sup>st</sup> August 2019.

The position for 2018/19 shows an overall loss of £62,432 which is some £12k greater than the budgeted loss of £50,391. Comments on the individual components of the result were as follows:

**Membership** - Income from membership fees was lower than planned, but made up for by the increased income from game fees resulting in a slight decline in the actual membership income received (£173,077 as against £173,469).

**Home** – The British Chess Championships incurred a loss of £9,400 against a breakeven target. This was largely caused by the over-estimation of entry fee income and the lack of sponsorship sources. The loss was actually greater as the top players' conditions were supported from the International (£1,500) and Women (£2,410) budgets making a total loss to the federation of £13,310.

**Junior** – Anticipated loss is £23,250 compared to a planned loss of £17,400. This appears to be caused by a greater than expected loss on international events. These are now being managed by Bridge Overseas and hopefully there will not be a recurrence of this situation. Further work needs to be done here to assess that the ECF have received all payments from Bridge Overseas for payments it has made for some of the overseas events.

**International** - on budget.

**Women** - on budget.

**Administration** – on budget.



There will be an impact on reserves as at 31<sup>st</sup> August 2019. Reserves could reduce to £23,400 as against the planned position of £35,443.

DE requested that Executive Directors review their 2018/19 figures and comment back to him by 31<sup>st</sup> January in advance of the year end audit.

### **2019/20 Position**

The second part of the report referred to the latest position for the current year ending 31<sup>st</sup> August 2020.

The position as at 15<sup>th</sup> January 2020 was included in the management accounts. The position given includes the greater part of the income for the year being received, but includes only the expenditure for the first four and a half months. There is seven and a half months' further expenditure to go. The planned loss for the year is £11,600. This may result in reserves falling to £11,800 which would not be a good position for the Federation. The position will become clearer when Executive Directors provide forecasts for their current year's income and expenditure. DE requested that directors provide their forecasts for 2019/20 by 8<sup>th</sup> February.

DE noted that the BCC budget for 2020 was based on a breakeven position which did not include any conditions for "top" players. This will save about £8,000.

[Paragraph Redacted.]

### **7. Proposed Budget for 2020/21, 2021/22 and 2022/23 in Preparation for April Council Meeting**

The budgets for the next three years were included in the management accounts, the first two already presented to the last Finance Council meeting and the third one being an indicative proposal. Executive Directors were requested to review their individual budget proposals for all three years and comment back to DE by 8<sup>th</sup> February.

DE proposed to prepare a set of Council budget papers for the next Board meeting.

The cash position was currently a positive £124k, however, this is likely to fall substantially over the next six months before the new membership year starts in July; most income is received in August to September/October.

Depending on the outcome of the forecast position for 2019/20 DE proposed that the Board should review any measures it thought appropriate to address the reserves position (intermediate target is £40k to £50k within the longer term meeting the Board's objective of holding £100k reserves).

The following actions were agreed for Executive Directors:

- Review 2018/19 position for their results by 31<sup>st</sup> January



- Provide forecasts for 2019/20 by 8<sup>th</sup> February
- Provide comment on the budgets for 2020/21, 2021/22 and 2022/23 by 8<sup>th</sup> February.

The estimation of the income from membership fees is of crucial importance. Currently included in the budgets is a growth target of 500 new paying members per year. This needs to be confirmed as having been achieved and achievable going forward for the next three years – Action: Director of Membership.

DE advised that a number of invoices and expenses claims are being submitted a long time after the expenditure had been incurred and he was intending to set a maximum of two months for expenses and invoices to be submitted.

## 8. Transfer of the PIF (DE)

DE said that £73.5k had already been transferred from the PIF to the Chess Trust and he would like to press ahead with a further transfer of all of the remaining PIF funds including conditions to cover 'last resort' availability of the transferred funds for the ECF. He was asking for this transfer because of the reserve and cash position and since almost all of the Chess Trust fund is currently hypothecated to junior chess. He also noted that a provision of up to £10k might be required for monthly grading implementation.

The Board agreed that any future transfer of funds from the PIF to the Chess Trust should be subject to the same conditions as currently pertained for the PIF, namely that transferred funds should be held as a fund of last resort for the ECF, and that appropriate wording would need to be put in place to ensure that this was the case. DE and SW said that should be possible to change the constitution of the Chess Trust if necessary to support the PIF transfer on those terms. Action: SW/DE

The Board noted that a discussion would be needed between the ECF Board and the Chess Trust trustees as to the level at which such a fund should be held.

## Lunch

## 9. Development Activities (NT/ MT)

NT and MT outlined a number of development activities put forward by Tim Wall to increase the level of support the ECF was providing to organisers and players and/ or grow membership levels as follows:

- Organisers' training package including Swiss Manager, DGT live board operations, and event commentary;
- University chess initiatives to address retention issues when players leave university;



- Promotion of chess in social venues eg cafes;
- ECF membership promotion at events.

NT asked board members if they could provide support in taking these initiatives forward.

#### **10. Junior Organisers Engagement Update (NT)**

NT outlined progress with the various Junior Organiser Engagement activities as follows:

- Organiser/coach engagement: Ongoing;
- Junior organiser ECF pages/ added value services: There was no progress to report. The proposal is still to build on the Certificate of Excellence pages with an online test/ exam. NT proposed that this should be taken forward jointly with UKCC and/or CSC;
- Schools offer and 'S' rating: Schools 'S' rating has been added to the monthly grading requirements;
- Event based charging: NT reported that the proposed option B charging bands would result in a £2k reduction in revenue from game fees from events on a like for like basis but that it was expected that this would be offset by additional events being registered for grading;
- The Board gave in principle approval for event based charging and agreed that there should be a pilot of the charging mechanism to assess acceptability to junior organisers, impact on membership levels, and admin requirements;
- JC offered to support this from Manchester juniors and EPSCA events. NT indicated that the pilot may also include Barnet Knights and other London junior events.

#### **11. Social Media Advertising (NT)**

NT summarised the proposal for Facebook membership advertising with a budget of £100 per month with ongoing monitoring and review. The proposal was accepted.

#### **12. Monthly Grading Update (DT/NT)**

DT and NT reported on progress with monthly grading as follows:

The monthly grading system will be based on an extended and updated version of the YCA Chessnuts system. The implementation plan is divided into two phases:

- Phase 1: January to March/ April based on six x two week sprints to establish the core system based on a copy of the Chessnuts system. This will include a core database, results interface from LMS and a basic rating system with reporting/ web publishing);
- Phase 2: April – June/ July to build full system for monthly grading.



It was agreed that the Chess Trust should be approached for support from PIF funds in due course (see 8. above).

### **13. Constitutional Implications of Extending Grading to More Junior Events (RS)**

RS raised some potential constitutional implications arising from more junior events being graded, including a potential need to re-evaluate the weighting given to different types of events. RS suggested the board might like to consider that as a starting point the weighting of one standard play game to two rapidplay games should be amended to one standard play to three rapidplay games to reflect the approximate balance of rounds per day for standardplay compared with rapidplay events. Further consideration would be required to determine the weighting to be given to ECF graded schools events and internet chess games.

A vote was taken on RS's suggestion that the standard to rapidplay weighting should be changed from 2:1 to 3:1. This was agreed by all with one vote against.

RS was actioned to draft a paper for the proposed change to the weighting for review by the board, and Council in April. Action: RS

### **14. Appointment of Chair of Council (RS)**

NT advised that he wished to stand down from managing the voting process, with RS assuming the responsibility with support from the Office. RS indicated that there were now two nominations for Council Chair: Michael Farthing and James Conlon.

RS indicated that candidates would be asked to provide their election addresses by 29 January, with ballot papers being distributed by email by 4 or 5 February. Voting would close on 15 or 16/ February.

### **15. What Might the ECF Board Look Like if Directorates Were Similar to Those of a Commercial or Sports Organisation? (MT)**

MT presented a straw man for a simplified Board structure with directorates organised around type of activity. There was some discussion of the structure, with JC suggesting that there should be an NED review of the proposals. Action: JC, SW, JD

### **16. Directors' Reports**

#### **i. Director of Women's Chess**

CF presented his paper on the proposed appointments for the Women's directorate including Women's Recruitment Officer and Strategic plan implementation officer. MT asked that an advert for these positions should be included in the newsletter, and that the recruitment role be expanded to Recruitment Officer, covering junior and social player recruitment as well as female player recruitment. Action: CF



ii. Director of Junior Chess

AH had already provided his report.

iii. Director of Membership

DT reported that there were about 450 cases of potential members who had registered but not completed the membership package selection and/ or payment process in Azolve. DT and NT were working with Azolve to find a fix for the issue and a plan was being drawn up to approach the backlog of registered but not paid members.

iv. International Director

There was no report from International as MP was not present. NT reported that the ECF would be sending an all GM 50+ first team for the World Senior Team Chess Championships including Jonathan Speelman, Keith Arkell, Mark Hebden, Glenn Flear and Neil McDonald, a Women's 50+ team of five players captained by Petra Nunn, and a strong 65+ first team including John Nunn on board 1.

v. Director of Finance

DE had already provided his report:

vi. Director of Home Chess

The British Championship costs had been reviewed with additional costs for venue hire, accommodation and arbiter fees to be offset by introducing additional competitions and increasing entry fees. In addition there were unlikely to be appearance fees. It has been decided to drop the women's section F 'qualification by performance' level to 2100.

AE was asked to follow up with Guaranteed Events / Bridge Overseas in relation to the financial arrangements around bedroom bookings for the British Championship. Action:  
AE

AE reported that following the loss of Kettering as a viable venue, it has been decided to hold the County Championship Finals at the Holiday Inn at Birmingham Airport.



AE reported that the anti-cheating paper had been posted on the ECF web site and that there had been no comments.

#### **17. Actions Spreadsheet**

The actions spreadsheet was not reviewed due to time constraints and it was agreed that action progress would be followed up by email. Action: NT

#### **18. AOB**

There was no AOB.

#### **19. Date and time of next Board Meeting: 18th February 2020, London**

There being no other business the Board meeting closed at 5.00 pm.

