



The Minutes of the Finance Council of the English Chess Federation held on Saturday 24 April 2021 at 1.30 pm (via Zoom)

Attendees

Adam Ashton
James Blair
David Clayton

Julian Clissold
Paul Cooksey
Lorin D'Costa
Kevin Dalley
Nigel Dennis

Phil Ehr
Gareth Ellis

David Eustace
Peter Farr
Michael Farthing
Nick Faulks

Chris Fegan
David Gilbert
Stephen Greep
Mike Gunn

Ezra Lutton
Steve Mann
Alex McFarlane

Aga Milewska
Mark Murrell
Malcolm Pein
Adam Raouf

Representing:

ECF Director of Finance
Cambridgeshire Chess Association
Blackpool & Fylde League, Leyland Rapidplay, Ribble Congresses
Manchester Chess Federation, Non-Executive Director
Berkshire Chess Association
ECF Gold Members Representative
Derbyshire Chess Association
Chiltern Cup Counties League, Berks & Bucks Congress, Maidenhead Juniors, British Chess Problem Society, English Primary Schools Chess Association, National Youth Chess Association, Thames Valley League
Past Chief Executive
Lancashire Chess Association, Merseyside Chess Association, Warrington & District League
ECF Platinum Members Representative
Sussex County Chess Association, Mid-Sussex League
ECF Chairman of the Council
Bronowski Trophy, Croydon & District Chess League, ECF Chairman Finance Committee
North Essex Chess League, ECF Director of Women's Chess
Kent County Chess Association, London Public Service League
Hull & District Chess Association
Surrey/Hampshire Border League, Past ECF Chairman of the Council
London Junior Chess Championships
Yorkshire Chess Association, Doncaster Chess Congress
Northumberland Chess Association, Caplin Hastings
International Chess Congress, Scarborough Chess Congress
ECF Bronze Members Representative
Southern Counties Chess Union, Essex Chess Association:
ECF Director of International Chess, The FIDE Delegate, Golders Green Congress, Hampstead Congress, King's Place Chess Festival

Natasha Regan	ECF Non-Executive Director
Stewart Reuben	ECF Vice Presidents Representative
John Reyes	Midland Counties Chess Union, West of England Chess Union, Cambridgeshire Chess Association, Dorset County Chess Association, Bournemouth & District League, Bristol & District League North Circular League, South East Lancashire League, Stockport & District Chess League, Stockport Rapidplay League, Torbay Chess League, East Devon Congress, Stockport Rapidplay Chess Congress, ECF Silver Members Representative
Mark Rivlin	London Chess League
Paul Shepherd	Surrey County Chess Association, Surrey Congress Ltd, Briant Poulter Chess League
Peter Sherlock	Lincolnshire Chess Association
Chris Skulte	ECF Bronze Members Representative
Robert Stern	Central London League, Pimlico Summer Tournament
	ECF Chairman Governance Committee, Director of Junior Chess & Education (proxy), British Universities Chess Association
Claire Summerscale	4 Nations Chess League
Nigel Towers	Warwickshire Chess Association, ECF Director of Home Chess
Mike Truran	Oxfordshire Chess Association, Kidlington Chess Congress, Witney Congress, Witney Rapidplay, ECF Chief Executive
Brian Valentine	Bedfordshire County Chess Association
Tim Wall	Northern Counties Chess Union, Durham County Chess Association, Northumbria Junior Chess Association, ECF Silver Members Representative
Gerry Walsh	Braille Chess Association, ECF Vice Presidents Representative,
John Wickham	East Anglian Chess Union, Norfolk County Chess Association, Bury St Edmunds Congress, ECF Platinum Members Representative
Robert Willmoth	Middlesex County Chess Association, City Chess Association, Barnet Knights, Chess Coaching Services, ECF Director of Membership, ECF Gold Members Representative
Stephen Woodhouse	ECF Non-Executive Director

The Chairman carried a proxy for Northamptonshire Chess Association

Item 1. Appointment of Chairman

The Chairman was present, and the meeting started at 13.34.

The minutes were taken by Stephen Greep

Item 2. Observation of a Minutes Silence

For colleagues who have died since the past meeting. From the floor Winston Williams, Syd Kalinsky and Ian Brooke were remembered.

Item 3. Notices

The Chairman indicated that the meeting was being recorded to assist in the taking of minutes and it would thereafter be deleted. In response to a question concerning making the recording more widely available via the website he said he would take this into consideration, although it was noted that this would not be possible if only one person objected.

Apologies for Absence: Samantha Ali, Pete Kobryn, Paul McKeown, Douglas Vleeshouwer. [Claire Summerscale attended the meeting but gave apologies for leaving before the end because of connection problems]

Invitees: Gary Willson, Andrew Walker (ECF office) and Ray Clark (Finance Committee).

Voting Procedure: The Chairman explained the voting procedure which was the same as at the last Council meeting. For card votes this involved a drop-down menu in order of surname. The link to casting for card votes would appear in the chat room. In answer to a question on proxy votes the Chairman explained that Council members could give a proxy vote, but still attend and exercise their votes in person.

Votes would be published following the meeting and in the case of a close vote would be given additional scrutiny.

Voting on the three special resolutions under agenda item 11 (Directors' Terms of Office) would be taken separately, as it was thought that if taken together there would be a natural bias towards the third special resolution. It was confirmed that votes could be cast for or against each option.

Reports and amendments: The Chairman confirmed that reports to council and the text of proposed amendments were published on the web site.

Contributions at the meeting: The Chairman confirmed that principal contributions would be limited to five minutes and questions to two minutes.

Tellers: Andrew Walker and Garry Willson were appointed tellers.

Item 4. Minutes of the Last Meeting

There were no comments on the validity of the minutes which were agreed as a true record *nem con*.

Item 5. Matters Arising from the Minutes and not Otherwise on the Agenda

There were no matters arising not on the agenda.

Item 6. Finance Directors Report and Draft Annual Accounts

Adam Ashton introduced the Finance Director's report. Because of the situation created by the covid pandemic it had not yet been possible to provide audited accounts and these will be taken to the next meeting of council. Given the circumstances the ECF had managed the financial situation as well as could have been expected. The cash position over the next year should be fine with

£143,000 in the main account. The accounts were shortly to be closed and should show a small loss of £5,000 against a projected surplus of £12,500. Government grants and donations had helped reduce the loss. The ECF had done a good job keeping expenditure to a minimum, but vigilance needed to be maintained as some expenditure had simply been postponed.

Much of the discussion centred around membership and whether the prediction of £186,000 income from membership fees was realistic or optimistic. Adam Ashton confirmed he believed this was reasonable, but it was a best estimate. If income came in lower than expected, the financial plan would have to be reviewed. He confirmed that in the unlikely event that the current pandemic continued the Federation would still be able to carry on for 12 months before the situation became critical, but he was reasonably confident that some chess over the board activity would resume in the summer. The budget represented a worst-case scenario, but if things didn't improve then areas of big spend would need to be reviewed first. Rob Willmoth confirmed that around 60% of members had rejoined this year.

A number of comments were made concerning chess restarting, whether the ECF knew what the position of clubs and congresses were, and what they were doing to support them. It was suggested that a survey of clubs should be a priority. In response Nigel Towers gave examples of ECF actions, including advice on the website, and working with government departments such as Culture and Media. He also cited the work on the British Championships that would bring the Championships to a number of venues in October. He believed things would start up, but slowly at first. Others pointed to the improved newsletter and the enormous effort which had gone on to promote online events. Rob Willmoth reminded members that work such as that with ChessKid should bring financial benefit to the ECF and the GOMembership scheme brought with it huge benefits for members.

Several members commended the Board for the work it has done so far, and Mike Truran wished to place on record the Board's thanks to the membership for their continued commitment to the ECF.

On a show of hands Council resolved:

THAT Council receives and accepts the financial report of the Finance Director.

Item 7. Fees

Adam Ashton spoke to this item, outlining that no changes to current levels of fees were proposed. Several member representatives stated there had been no objections raised from their members and the Membership Director also confirmed that he had not received any comments.

In answer to a question concerning supporter fees, it was indicated that their fees remained the same, but Robert Stern reminded Council that supporters were not members and therefore the published table omitted this group.

Council resolved *nem con*

THAT ECF membership fees for direct members and member organisations and that game fees remain unchanged from 2020-21

Item 8. Budget

Adam Ashton introduced his paper on the proposed budget for 2021/2022 and assumed members of council had read the paper.

Nick Faulks introduced an amendment on behalf of Croydon and District Chess League: that to the end of the main motion:

THAT Council accepts the budget proposals for 2021-22 as set out in the Finance Director's Report

there should be added the words

, with the exception of the proposed loan from the Permanent Invested Fund.

Council defers consideration of this proposal until the Annual General Meeting on 16th October 2021.

Several members disagreed pointing out the need for a secure planning environment moving forward. It was also stated that the loan needed BCF consent and that it was not an issue for Council as the request was to the PIF and the BCF. Nick Faulks argued that forward planning was still possible if the decision in respect of a loan was postponed in line with his amendment.

It was clarified that Nick Faulks was speaking as both proposer and seconder in separate roles and that this was acceptable.

A hand vote was taken on the amendment, which was lost:

FOR: 3 AGAINST: 20

A hand vote was then taken on the substantive motion and was passed:

FOR: 24 AGAINST: 0

Item 9. Authority of Variation

Adam Ashton introduced this item which he considered straightforward. Nick Faulks stated that this was sensible but reminded Council of his view that agreeing to this should not become a habit and by October should be more certainty and Council should take back its role of budget scrutiny and approval.

Adam Ashton confirmed that this item requested authority until the October meeting of Council.

A hand vote was taken on the motion:

THAT the Board may revise the budget in the light of circumstances as they develop during the summer period and beyond, bringing such revisions before future Council meetings as shall be practical.

The motion was passed with voting: FOR: 20 AGAINST: 1

The meeting of Council was adjourned at 15.09 and reconvened at 15.30

Item 10. Voting Register

Robert Stern introduced this item which sought to create a register for use in the year 2021-2 reflecting 'normal reality'. There were no questions. and a hand vote was held on the special resolution:

THAT the articles of association of the Company be amended by inserting the following wording at the end of article 22: "The register to be published in 2021 shall be produced on the basis that the number of votes of a member for the purposes of Article 30(1) shall be equal to the highest of (a) the votes it would have if the voting register were prepared without having regard to this sentence, (b) the votes it has in the September 2020 voting register and (c) the votes it has in the September 2019 voting register, and any poll under Article 26 shall be conducted accordingly

was passed with voting FOR: 23 AGAINST: 3

The Chairman ruled that this clearly achieved the 75% necessary.

Item 11. Directors Terms of Office

Robert Stern introduced this item to Council outlining the background to and the current position as reflected in the articles that there was currently no limit as to the number of three-year terms a Director could serve. He outlined the consultation process, reasons for the three options and their interpretation.

In discussion it was confirmed that the resolution was intended to clarify the position in respect of Directors terms of office and that if one of the resolutions was passed a Director could return after one year's absence. The option of a four-year term of office was not an option for consideration.

During the discussion there was support for each of the three options expressed, including a view of not voting for any of the options to retain the status quo. Two people expressed the view that the average age of directors (given as 66) was too high, but this was not accepted by others who felt that it was the quality of the person and personal effort of those who held office, not their age, which was important, and it would be a mistake to make good directors leave, especially since there was a mechanism to remove directors should the need arise.

The Chairman confirmed that members could vote for one, two or all three options. He also confirmed that an abstention was not a vote. Robert Stern confirmed that if all three resolutions failed (and that each required 75% to be passed) the status quo was that there would be no limit on the number of terms and a director could serve (subject to being elected by Council), but that the Governance Committee would recommend to the Board that the Directors' Responsibilities be amended to reflect the view that renewal of Board membership is a good thing.

The Governance Committee were thanked for steering Council through a difficult issue.

Card votes were held on each of the three resolutions:

Special Resolution C34.11 A

THAT, subject to the condition below, the existing wording of Article 60 be deleted and replaced with: “Any Director who retires at an Annual General Meeting pursuant to Article 59 shall not be eligible for re-election at such Annual General Meeting to the same (or substantially similar) Board Position if the Director has then just completed a continuous period of office in such same (or substantially similar) Board Position of longer than one three year term. Any such Director shall be eligible for appointment to the same (or substantially similar) Board Position pursuant to Article 57, but shall not be eligible to stand for election to the same (or substantially similar) Board Position until the Annual General Meeting in the third year after the year in which the relevant Director was ineligible for re-election. For the purposes of Article 60, a “three year term” shall mean the time period between an Annual General Meeting and the Annual General Meeting held in the third next succeeding calendar year”. Even if passed by the requisite majority, this resolution shall only take effect if the ratio between votes in favour and votes against is greater than the equivalent ratio for each of Resolution (B) below and Resolution (C) below and in the event of ratios being identical a casting vote of the Chairman shall decide which resolution shall take effect.

The announced card vote result was: FOR: 31 AGAINST: 137
Following scrutiny and publication after the meeting this was amended to:
 FOR: 26 AGAINST: 131

The motion was defeated.

Special Resolution C34.11 B

THAT, subject to the condition below, the existing wording of Article 60 be deleted and replaced with: “Without prejudice to the provisions of Article 57, any Director who retires at an Annual General Meeting pursuant to Article 59 shall not be eligible for re-election at such Annual General Meeting to the same (or substantially similar) Board Position if the Director has then just completed a continuous period of office in such same (or substantially similar) Board Position of two consecutive three year terms or longer. Any such Director shall be eligible for appointment to the same (or substantially similar) Board Position pursuant to Article 57, but shall not be eligible to stand for election to the same (or substantially similar) Board Position until the Annual General Meeting in the third year after the year in which the relevant Director was ineligible for re-election. For the purposes of Article 60, a “three year term” shall mean the time period between an Annual General Meeting and the Annual General Meeting held in the third next succeeding calendar year”. Even if passed by the requisite majority, this resolution shall only take effect if the ratio between votes in favour and votes against is greater than the equivalent ratio for each of Resolution (A) above and Resolution (C) below and in the event of ratios being identical a casting vote of the Chairman shall decide which resolution shall take effect.

The announced card vote result was FOR: 44 AGAINST: 111

Following scrutiny after the meeting this result was unchanged and the motion was defeated.

Special Resolution C34.11 C

THAT, subject to the condition below, the existing wording of Article 60 be deleted and replaced with: “Without prejudice to the provisions of Article 57, any Director who retires at an Annual General Meeting pursuant to Article 59 shall not be eligible for re-election at such Annual General Meeting to the same (or substantially similar) Board Position if the Director has then just completed a continuous period of office in such same (or substantially similar) Board Position of three consecutive three year terms or longer. Any such Director shall be eligible for appointment to the same (or substantially similar) Board Position pursuant to Article 57, but shall not be eligible to stand for election to the same (or substantially similar) Board Position until the Annual General Meeting in the third year after the year in which the relevant Director was ineligible for re-election. For the purposes of Article 60, a “three year term” shall mean the time period between an Annual General Meeting and the Annual General Meeting held in the third next succeeding calendar year”. Even if passed by the requisite majority, this resolution shall only take effect if the ratio between votes in favour and votes against is greater than the equivalent ratio for Resolution (A) above and Resolution (B) above and in the event of ratios being identical a casting vote of the Chairman shall decide which resolution shall take effect

The announced card vote result was: FOR: 66 AGAINST: 98
Following scrutiny and publication after the meeting this was amended to:
 FOR: 65 AGAINST: 96

The motion was defeated.

In consequence none of the three motions were passed and the *status quo* remains

Item 12 Voting Allocations of Council Members

Nigel Towers introduced and summarised the motion, the background to which was a big increase in online activity over the last year. Points made in the following discussion were a preference to give votes to members and not organisers and an observation that this proposal might be left for a year when the position regarding online chess might be clearer. It was pointed out that the contribution to votes from online games would be capped at 50% of the contribution from over-the-board games.

A card vote was help on the special resolution:

THAT the articles of association of the Company be amended by:

(a) inserting (in the appropriate place alphabetically) in article 1.1 the following definitions: “Blitz Game” means a game where all the moves must be completed in a fixed time of not fewer than three minutes but not more than 10 minutes for each player or the allotted time plus 60 times any increment is not fewer than three minutes but not more than 10 minutes for each player;” “Rapidplay Game” means a game where all the moves must be completed in a fixed time of more than 10 minutes but less than 60 minutes for each player or the allotted time plus 60 times any increment is more than 10 minutes but less than 60 minutes for each player; “Standardplay Game” means a game where each player is allotted more time than the maximum time for a Rapidplay Game;

(b) deleting the final sentence of article 31 and replacing it with the following wording; “For these purposes, each rated game played shall give rise to two entries (one for each player) and an over the board Standardplay Game entry shall constitute one game unit, an over the board Rapidplay Game entry half a game unit, an over the board Blitz Game entry one sixth of a game unit, an online Standardplay Game entry half a game unit, an online Rapidplay Game entry one quarter of a game unit and an online Blitz Game entry one twelfth of a game unit. If in any period (as referred to in this article 31) the aggregate amount of game units of full Members attributable to online games (including pursuant to assignment under article 32) exceeds half of the aggregate number of game units of Full Members attributable to over the board games (including pursuant to assignment under Article 32) then, for the purposes of calculating voting entitlements under Article 30(1), the value of the game units deriving from online games attributable to Full Members shall be proportionately reduced to the extent necessary to ensure that the limit is not exceeded. By way of exception to the foregoing, for the period ending 30th June 2021 the preceding sentence shall be applied as if there were inserted after the words “game units of Full Members attributable to over the board games (including pursuant to assignment under Article 32)” the words “in the period ended 30th June 2019”;

(c) replacing all references in the articles of association to “grading” and “graded” with “rating” and “rated” respectively.

The announced card vote result was:

FOR: 125 AGAINST: 35

Following scrutiny and publication after the meeting this was amended to:

FOR: 124 AGAINST: 35

The motion was therefore passed with the required 75% vote in favour

Item 13 County Championships, 2021

The Chairman stated this was an item mainly for noting but asked for comments. In response to a question concerning why the 2019-20 competition had been stopped without completing the finals Nigel Towers stated the decision was taken based on feedback from Chess Unions and Counties (50% responded, but only 50% of these wanted to complete the season). There would still be friendly County events arranged in the summer.

As time was now becoming short and item 14 was expected to provoke considerable discussion the Chairman, with permission of the meeting, brought forward item 15 on the agenda

Item 15 Arrangements for the October 2021 AGM

The Chairman stated that the date for the October meeting should not be changed (Saturday 16th October) but the meeting was being given the opportunity to change the venue to a Zoom meeting if it so wished. The Chairman pointed out that in the event that a face to face meeting were not possible he already had the power to call a Zoom meeting, so that members were not being asked to guess on the situation in October.

Following a narrow hand vote in favour, but where there was some doubt as to whether accurate counting had been possible and recognising that a card vote was not practical so late in the meeting, it was proposed that the matter be referred to the Board to make a decision. This was passed in a hand vote *nem con*.

Item 14 Country Championships Team Rating Limits

The agenda included a motion which principally was to set new boundaries for for the sections of the County Championships in the light of the move from a grading to a rating system.

There had been considerable discussion between County representatives and the Director of Home Chess prior to the meeting centred on the appropriateness of the boundaries drawn up and the effect this might have on counties' abilities to field teams. Two amendments to the boundaries had been submitted ahead of the meeting.

In exploratory hand votes on the the two amendments and the substantive motion it became clear that Council saw no clear preference and it was recognised that a card vote could not take place. The Chairman therefore proposed that the meeting refer the matter back to the Director of Home Chess with a request that he consult with those members of Council most directly affected, namely the County and Union representatives. The Director, Nigel Towers, signalled he was content with this and in a hand vote the proposal was accepted *nem con*

Item 16 Any Other Business

Chris Fegan had notified the chairman of an item of Any Other Business but in the time remaining was unfortunately unable to do more than make a statement

He raised a concern that the first two sentence of Regulation No 2: The Directors and Officers Responsibilities Regulations was not working as intended and that the matter should be discussed at the Board and brought back to council in October.

There being no other business the Chairman closed the meeting at 18.28

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