Subject: Report on ECF Finance Council Meeting (“FCM” and BCF meeting) 23 April 2022

Dear SCCA Participants,

Herewith a summary of the above meeting and how Surrey voted on each key item on your behalf.

Please refer to the meeting agenda and supporting documents on the ECF website [Council Papers – English Chess Federation](https://www.englishchess.org.uk/about/ecf-council-and-board/). The original consultation document is here: <http://www.scca.co.uk/SCCA/docs/SCCA_consultation_ECF_FCM_2022.docx>

I confine myself to the key issues:

1. Motion to allow Council meetings to be made public via internet (item 5 FCM agenda)

Out of the 20 individual opinions I received within Surrey, 3 expressed the view that they wished to have the meeting made public. I spoke against the motion, citing the arguments about reputation risk described in the consultation document. I also questioned whether the ECF Board had considered how it would manage a public relations incident should a live broadcast contain any extreme views expressed either by a delegate or a Board member. They clearly had not considered that.

The motion was defeated by hand vote with 6 For and 21 Against. SCCA voted against.

1. Fees (item 8 FCM agenda)

The proposal to keep fees unchanged, aside from one minor error correction, was approved by hand vote nem.con. SCCA voted in favour.

1. Motion to BCF to donate Permanent Invested Funds to Chess Trust (item 5 BCF agenda)

One consultee expressed a concern that the Chess Trust would be a less flexible vehicle than BCF when it came to certain disbursements, in light of its charitable status, and hoped that the tax advantages were of substantial value to justify it. In response to my questions Mike Truran confirmed that the memorandum of understanding appended to the Council papers had been executed by both the ECF Board and CT Trustees. Mike also confirmed that the portion of the PIF that was a bequest from the John Robinson estate to support the British Championships was honoured by making payments to support the junior activities at the event, thereby allowing them to fall inside the charitable remit of the Chess Trust. There are no other bequests within the PIFs that are restricted funds solely to support professional chess, which would be problematic within a charitable body. Adam Ashton, the Finance Director, stated that the tax advantage of using the Chess Trust (shielding from CGT in particular) was clear in his opinion.

The motion was passed by hand vote with 20 in favour and 1 against. SCCA voted in favour.

1. Blitz Games (item 11 FCM agenda)

The proposal to bring these in line with SP and RP as far as Game Fee charging is concerned was passed by hand vote nem.com. SCCA voted in favour.

1. Motions re: Direct Members Representatives (“DMR”) (items 14-17 FCM agenda)

Item 14 requiring a new election if a vacancy arises instead of the current rule that allows the ECF Board to find a replacement was passed by hand vote nem.com. SCCA voted in favour.

Item 15 required that DMRs should consult with constituents and vote based on the views they receive. This was passed by hand vote nem.con. SCCA voted in favour.

Item 16 required that DMRs should be in the membership class of their constituents. The governance committee confirmed that a) should a DMR change membership class during their term of office they would be allowed to complete their term and b) that what had changed relative to a similar proposal in the recent past was that the number of willing parties to be DMRs for the Bronze and Silver categories was sufficient to ensure the posts could be filled. I judged at the meeting that the arguments for and against were finely balanced. I voted in the manner that I had indicated in the consultation document as I had received no pushback from any consultee on this matter.

The hand vote was 13 For, 11 Against. A card vote was called and that resulted in the motion being passed with 113 For and 63 Against. SCCA voted in favour.

Item 17. Board members can’t be DMRs. I spoke in favour of this motion, at the request of the chair of governance, as SCCA had been a prime mover in promoting this item. The argument was extremely simple. Anyone who has had basic business ethics and conflict of interest management training should support the proposal. The alternative would be that the ECF Board could mark its own homework.

The motion was passed by hand vote with 20 For and 5 Against. SCCA voted in favour.

Rolling Membership (item 18 FCM agenda)

This proposal was to change the current 1 Sept to 31 Aug membership system with one whereby renewal is done on the anniversary of joining, whenever that is.

I regret that this is the one that got away. However, there is some mitigation.

I spoke against the motion on the basis of the increased workload for clubs and county officials in having to track players’ membership status throughout the season if their memberships could lapse at the end of any month.

Mike Truran and Rob Wilmoth argued that the rolling membership system would allow clubs to recruit players more easily at any time of the year if their ECF memberships, when they joined, bought them 12 months instead of whatever remained of the season. They also wished to roll out a new student membership system without delay and said that it would be otherwise be impeded until next season. In mitigation Mike stated that ECF were working to produce easily usable management reports for clubs and counties which would identify when their players’ memberships would lapse. I think this swung a number of delegates within Council.

Mike noted that clubs should ensure their details are up to date on the ECF Club Finder [Submit Your Chess Club (wufoo.com)](https://britchess.wufoo.com/forms/w1i1j1we007tesu/) as that will facilitate the receipt of the management reports. [Incidentally, all of our clubs should do this anyway! It’s a free advert for your club via ECF website and will hopefully get more people to walk through your door]

The motion was passed by hand vote 21 For and 6 Against. SCCA voted against. None of the entities that voted against had a significant bloc of votes and so there was no point calling for a card vote.

1. Ukraine (item 20 FCM agenda)

The motion for ECF to call for the immediate resignation of FIDE President Arkady Dvorkovich was passed by hand vote with 20 For and 3 Against. SCCA voted in favour.

I took the opportunity of the debate on this item to ask the ECF Board to reconsider its position in relation to the banning of Russian and Belorussian players from the County Championships. I have followed that up with a letter to Mike Truran, CEO and Malcolm Pein, International Director, the latter of which agreed with SCCAs arguments at the meeting and said he would take it back to the ECF Board (Mike had left the meeting before the item came up).

In stark contrast to the motion against Dvorkovich, which would have a significant reputational impact on Russia if its intent were realised, a ban on players in the County Championships would have zero reputational impact on the Kremlin. However, it would have a negative impact on relationships within UK society and UK chess in particular. It would simply be discrimination based on nationality with zero compensatory value for doing so.

I recognise that this is a controversial and difficult issue. I intend to ensure that there is sufficient time allocated within the SCCA AGM on June 26th so that it can be discussed by SCCA Members.

Paul Shepherd – SCCA ECF Representative