

## **Report of the Council meeting and EGM on Saturday 18<sup>th</sup> March 2006**

The Club Council meeting was held on Saturday 18<sup>th</sup> March at the Motor Heritage Centre at Gaydon, followed by an EGM to elect an Honorary Treasurer. The Council members representing the V8 Register were David Waterton (Chairman) and Al Barnett (Events Coordinator), both members of the V8 Committee.

There were four key decisions:

### **Two motions of no confidence in the five directors who were in post prior to the Annual General Meeting in October 2005**

These motions had been tabled by the Caledonian Centre and the Devon and Cornwall Centre. As the second item of business on the Council meeting agenda, the Club Chairman, Peter Best, announced a deal had been agreed whereby the two Centres would withdraw their motions of no confidence if they saw undertakings from the five directors that they would stand down in October 2006 and if they heard a fulsome apology. The Chairman said he was pleased the Club had avoided an unpleasant vote and reported that the five directors had given written undertakings to stand down in October but in the meantime would work with the Board to achieve a cooperative team. David Reid, the chairman elect of Caledonian Centre, addressed the meeting on the matter and made it plain how he and his committee members felt those directors' performance and standards had been unacceptable, but given the undertakings and an apology, the committee of the Caledonian Centre were prepared to withdraw their motion. The signed undertakings were produced and then Doug Bush spoke on behalf of the other four directors.

In his statement, Doug Bush admitted the five directors had got some things wrong and that the forecasts of the 2005 results were not good and that material changes should have been reported to the Council members in October 2005. He then said the new Safety Fast! deal was a sound investment for the Club but this was not the view shared by many in the meeting. He said he felt it was time to draw a line, accept cabinet responsibility and pull together. But then he said the directors had agreed to work together to be a unified Board but, as Victor Smith was not able to attend the Board meeting the previous evening where this deal was settled, he would ask him to confirm that he would agree to that too. Well this came as a surprise to both the Chairman and Victor neither of whom had any prior warning that he would make such a demand. So Victor rose and said of course he wanted to see the Board working well together as there was a great deal to do, but it was essential Council members remembered the duties of a director are both collective and individual. Victor said he regarded the position of an elected member of the Executive Committee as a position of trust having individual duties and, if he found it necessary to investigate matters and report them to Council, he would continue to do so as part of those duties. He said he would most certainly not accept fellow directors' claims of "cabinet responsibility" as a mechanism to silence a director. That has been a frequent gagging argument before together with the assertion "you must not breach Board confidentiality" thereby restricting the release of accurate, clear and timely information to both Council members and Club members more widely. Victor added he hoped to see a step change in approach to communication and consultation with Club members and a greater openness.

So the deal, seen by some as an "unpalatable fudge" and by some as necessary to avoid splitting the Club, was done and the meeting moved on but not before at least six or seven speakers rose to thank Victor Smith for his determination and courage in getting to the true facts and reporting them, together with the odd comment he was his own man and often quite sharp in how he expressed matters. Frankly he has been blunt with those not prepared to face up to the poor performance and standards of care of those five directors over the financial forecasts and other decisions.

### **Club subscription increase**

A Directors' recommendation for a subscription increase of £4 from 1st May 2006 was agreed by Council members. An amendment to the recommendation from the T Register to limit the increase to £2 was not carried by a two to one majority. It was clear that a subscription increase was unavoidable as it was necessary to cover the additional costs of the new Safety Fast!

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arrangements.

### **Report of the Council Subcommittee on the Club office accommodation options**

John Dutton (chairman of the subcommittee) and two members of the subcommittee, Paul Batho and Ron Gammons (Club Vice President), made a clear and professional presentation of the subcommittee's report issued on 10<sup>th</sup> March 2006. The modest scheme to solve the Kimber House accommodation problem recommended in that report was overwhelmingly agreed by Council members, except for two abstentions. The budgetary ceiling of £100,000 proposed by John Dutton – up from £75,000, mainly due to doubtful soil conditions which might involve piling – was approved so work can progress rapidly so a start can be made on site before the existing planning consent runs out in a few months time. A Club member who is an architect, Maurice Standish from Tyne Tees Centre, has very kindly produced the working drawings to enable bids from contractors to be obtained and the necessary building regulations approval.

### **Election of an Honorary Treasurer**

Later, at the EGM, John Dutton (SVW Register and V8 Register) was unanimously elected the new Honorary Treasurer by the Council members. He was clearly a popular choice as both a qualified accountant with considerable experience as a finance director before his retirement and as the person responsible for the very detailed analysis of the directors' projections set out as Appendix 3 of the independent Appraisal Report which highlighted the uncertainties in the directors' forecasts and the dangers for the Club in proceeding with the new Club Office proposals recommended by the former Board members for approval and implementation.