

26/01/14

EIVT MINUTES

Location: Harston Drive, Enfield Island Village

Date: 26 January 2014

Present:

Vladimir Ioannou (VI) – left meeting for the voting
Iveta Nemcova (IN) – left meeting for the voting
Abhay Shah (AS)
Daniel Campos (DC)
Trevor Gibson (TG)
Carmen Wallace (telephone conference call)

Apologies:

Michael Lane (ML), Gisby Harrison solicitors

Minutes

Agenda

1. Confirm new Chair from this date to end of April 2014
2. Vote on proposal to appoint Vladimir Ioannou's practice as acting managing agent in a remunerated capacity.

Outcome

1. Abhay Shah was unanimously voted as Chair with immediate effect.
2. VI and IN left the office while the remaining Board Members deliberated over whether it was appropriate to pay VI's practice, ICRI, for the endless hours he was devoting to bring the accounts up to date and managing the estate. Michael Lane was supposed to be available on the end of the phone in case the Board Members had any questions but he was not answering his phone. The following points were considered as part of the decision making process:
 - 2.1 Is this permitted with the Articles? Yes, this was already confirmed by the Trust's solicitors, Clause 6 of the Articles refer.
 - 2.2. Was it morally right to pay him? VI had originally set out as a Volunteer. However, due to the abuse he has suffered from a very small minority he was no longer willing to work 15 hours / 6 days a week for free. The Board would not be able to function without his expertise and knowledge. He was also acting as a managing agent which was a position previously held by Amber Management for 73,800GBP per year plus performance guarantee fees of around 5,000GBP.
 - 2.3 Was it right to pay him 48,000GBP for a one year contract? Yes, his normal charge out rate is 1500GBP per day. The figure is also significantly less than paid to Amber who were not even maintaining proper accounts.
 - 2.4 Should the 48,000GBP be backdated? VI has been putting the hours in since September 2013 so it was appropriate to pay him starting October 2013.
 - 2.5 Does VI have the right expertise to manage an estate? The terms of reference are Amber Managements contract with the Trust. The majority of the responsibilities are related to finance and administration. For large works, they simply call on suppliers which VI would continue to do. The

only change to contractors is Platinum gardeners who were replaced for failing to demonstrate the work they were invoicing for.

2.6 What about a contract? The Amber Management contract would be used as a Terms of Reference. However, that contract was drafted by Amber's own solicitors and was heavily weighted in their favour. For example, the substance of their contract was that it was a perpetual contract with high barriers of exit. In other words, if the contract was terminated for any reason then the Trust would be liable to pay them three year's fees. On current contract terms that would equate to around 221,400GBP. The contract for VI would be drawn up by one of the Trust's solicitors, Gisby Harrison, and would be weighted in EIVTs favour.

2.7 Should VI continue as both a Trustee and acting managing agent? Yes, the Board needs his expertise and in the occasional cases, such as this remuneration decision, where there may be potential conflict of interest, then appropriate steps and safeguards would be implemented in accordance with the Articles and based on advice from solicitors as necessary.

After unanimously voting to approve VIs remuneration, VI and IN were called back into the house and informed of the Board's decision.

Meeting started: 20:00

Meeting ended: 22:00

Signed



Abhay Shah

EIVT Chair

For and on behalf of Enfield Island Village Trust