

CAMBRIDGE CITY COUNCIL
Record of Executive Decision

POTENTIAL SALE OF LBI HF CLAIMS -

Decision of: Executive Councillor Finance & Resource, George Owers
Reference: 14/Special/S&R/8
Date of decision: 3 September 2014 **Recorded on:** 19 September 2014
Decision Type: Key

Matter for Decision: Cambridge City Council is the legal and beneficial owner of the following Art 112 claim(s) in the insolvency proceedings of LBI (the 'Claim(s)'):

Claim number	Accepted claim amount (ISK)
200910-2375	394,533,607.05 kr.
200910-2377	200,919,834.66 kr.
200910-2380	402,056,610.09 kr.

The Executive Councillor is asked to authorise the sale, and set a reserve price, on behalf of the City Council for sale of claims.

To review this reserve price, if required, up to the point of sale, with the agreement of the Chair and Opposition Spokes of the relevant overview and scrutiny Committee.

Why the decision had to be made (and any alternative options): As stated in Part 4B paragraph 16 of the Council's Constitution, 'if by virtue of the date by which a decision must be taken Rule 15 (general exception) cannot be followed, then the decision can only be taken if the decision taker (if an individual) or the chair of the body making the decision, obtains the agreement of the chair of a relevant overview and scrutiny committee that the taking of the decision cannot be reasonably deferred.'

As specified under this paragraph of the Councils Constitution, it was agreed that the making of this decision could not reasonably be deferred.

The Executive Councillor's decision(s): The Executive Councillor resolved that Cambridge City Council will sell its Claims provided the Authority's reserve price is met. Further details on the proposed sale including the reserve price

are exempt under Part 1 of Schedule 12A to the Local Government Act 1972 on the basis that the report contains information: (a) in respect of which a claim to legal professional privilege could be maintained in legal proceedings (para 5); and (b) relating to the financial and business affairs of the Authority (para 3), and that in both cases the disclosure of such information is not in the public interest.

To authorise the Head of Finance and Head of Legal Services to take all steps to enable the sale of the claims.

Reasons for the decision:

The Council has received advice that it should consider selling its claims in view of considerations set out in the confidential report to the Executive Councillor.

Scrutiny consideration:

As required by the Councils Constitution under the special urgency procedure rule (Para 16 of Part 4B), the agreement of the Chair of the Strategy and Resources Scrutiny Committee has been obtained.

Report:

A confidential briefing note was submitted to the Leader, Executive Councillor for Finance, Chair and Opposition Spoke of the Strategy and Resources Scrutiny Committee, setting out the background to the request. This paper contains exempt information falling within paragraph 3 and 5 of part 1 of Schedule 12A, Local Government Act, 1972 and contains information received in confidence.

Conflicts of interest:

None

Comments:

This urgent decision will be reported back to the Strategy and Resources Scrutiny Committee on 20 October 2014 & Full Council on 14 November 2014.