

DECISIONS TO BE TAKEN IN THE BEST INTERESTS OF THE AUTHORITY

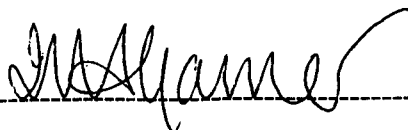
(Item 28 of the delegated powers given to the Chief Executive and Strategic Directors)

Officer's name: IG	Direct Line: 01865 252101 Fax: 01865 252256 E-mail: igarner@oxford.gov.uk	Key Decision: (tick) Yes No✓
To: Portfolio Holder for consent	Name: Cllr R Price	
Opposition Representative for noting	Cllr J Goddard	

What decision needs to be taken?	
Acceptance of an offer of £510,000 full and final settlement of second stadium payment from OUFC plus interest and legal cost. For further details see attached note and report considered by Executive Board on 8 July 2002.	
What are the reasons for the decision?	
<ol style="list-style-type: none"> To bring to a conclusion a dispute without incurring further costs. Remove risk of losing court case. 	
Why is it in the best interests of the Authority?	
<ol style="list-style-type: none"> Removes risk of losing court case. Removes need to incur further costs. Brings long outstanding disputes to a conclusion. 	
What alternative courses of action have been considered and why were they not taken?	
<ol style="list-style-type: none"> Continue with legal case - there is a risk in any legal action and costs will increase with a risk of not recovering all or part of them. 	
PLEASE RETURN ATTACHED REPLY SLIP TO: Isobel Garner	by: 29 July 2002 asap

Officers should fill in all sections and send a completed form not only to the members of Council involved but also to the Committee Section.

Signed by Director



Date: 5/8/02

FURTHER BACKGROUND INFORMATION

On 8 July Executive Board considered a report on the disposal of the stadium site and authorised officers to seek payment of the second stadium payment sum £494,000 plus interest (£19,043) plus legal fees (estimated at £16,970) at 25 July.

Mr Kassam has offered £510,000 in full and final settlement of this matter. (The full second stadium sum of £494,000 plus £16,000). If the legal action proceeds Mr Kassam has said he will pay the £494,000 into court thereby stopping the accrual of interest.

If the Council accepts the offer it will be foregoing £3,043 in interest plus legal fees (estimated at £16,970).

If the Council were successful and the award by the court included legal fees it is likely that the level of legal fees would be contested and the fees would be "taxed" ie the court would decide the level of fees. Wragge & Co, the Council's solicitors, are of the view that if the fees were "taxed" the Council would only receive 65-70% of the fees incurred (at 65% £11,030). The Council will incur further fees to have the legal fees "taxed". It is estimated additional fees of £3,000 could be incurred but could not be reclaimed.

The net effect of the proposal is therefore that the Council would be accepting £510,000 and be concluding the dispute. If the Council decided to pursue the matter to the courts it is estimated that the Council would receive approximately a further net payment £11,000 if it was successful on all issues.

There is always a risk in taking any matter to the court and it is considered prudent to accept this offer and thereby remove the risk of incurring even more costs which may or may not be recovered and also the risk of the court deciding against the council.

The interest for late payment is not included in the budgets and therefore the acceptance of £16,000 will not impact upon the Councils budgeting. The final issue is the payment of the legal fees and these can initially be paid from the "carry forward" budget for property disposals. Should the remaining budget prove to be insufficient to fund other disposals it would be necessary to seek additional funds later in the financial year.

DECISIONS TAKEN IN THE BEST INTERESTS OF THE AUTHORITY

COUNCILLOR REPLY SLIP

COUNCIL	
WIDE ROAD STREET	
RECEIVED	FOR REPLY
- 5 AUG 2002 19 AUG 2002	
DELEGATED TO:	

Return to:

Officer's name:

Reference:

From: Councillor R Price

Please tick one:

I agree the decision proposed to be taken and detailed in the attached form, in accordance with delegated power 28 in the Scheme of Delegation to Staff. I have no personal or prejudicial interest in this matter.

I do not agree the decision proposed to be taken and detailed in the attached form, in accordance with delegated power 28 in the Scheme of Delegation to Staff. I have no personal or prejudicial interest in this matter.

Date:

3/8/2002

Signed:

[Handwritten signature]

Notes

1. Where the decision taken is a key decision, a copy of this pro forma will be circulated by the Strategic Director to all councillors not later than two working days after the decision is taken. Councillors will be told that the decision will come into force and may then be implemented two working days after the circulation of this pro forma unless the relevant Overview and Scrutiny Committee object to it and calls it in.
2. The form will be submitted in the name of the Portfolio Holder to the first available meeting of the Executive Board.

DECISIONS TAKEN IN THE BEST INTERESTS OF THE AUTHORITY

COUNCILLOR REPLY SLIP

Return to:

Officer's name:

Reference:

From: Councillor J Goddard

Please tick one:

have noted JG 24/08/02
I agree the decision proposed to be taken and detailed in the attached form, in accordance with delegated power 28 in the Scheme of Delegation to Staff. I have no personal or prejudicial interest in this matter.

I do not agree the decision proposed to be taken and detailed in the attached form, in accordance with delegated power 28 in the Scheme of Delegation to Staff. I have no personal or prejudicial interest in this matter.

Date: *4th August 2002*

Signed:

John Goddard

Notes

1. Where the decision taken is a key decision, a copy of this pro forma will be circulated by the Strategic Director to all councillors not later than two working days after the decision is taken. Councillors will be told that the decision will come into force and may then be implemented two working days after the circulation of this pro forma unless the relevant Overview and Scrutiny Committee object to it and calls it in.
2. The form will be submitted in the name of the Portfolio Holder to the first available meeting of the Executive Board.

LIDDAR Helen

From: Mike Woodin[SMTP:mike.woodin@psy.ox.ac.uk]
Reply To: Mike Woodin
Sent: 05 August 2002 18:21
To: LIDDAR Helen
Subject: Re: Stadium settlement

Dear Helen,

Thanks for this. Duely noted!

Mike

----- Original Message -----

From: "LIDDAR Helen" <hliddar@oxford.gov.uk>

To: "Councillor WOODIN Mike [INET]" <mike.woodin@balliol.ox.ac.uk>

Sent: Monday, August 05, 2002 3:18 PM

Subject: Stadium settlement

> As discussed - form and background information for noting.
>
> Thank you.
>
> <<DP28 IG .doc>> <<Further background Information.doc>>
>