

Report to: West Yorkshire Combined Authority

Date: 11 October 2018

Subject: **Corporate Update on Treasury Management**

Director: Angela Taylor, Director of Resources

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Is this a key decision?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the report contain confidential or exempt information or appendices?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:	Paragraph 5

1. Purpose of this report

- 1.1 To provide an update on the legal claim issued against Barclays Bank PLC (Barclays) in respect of loans held by the Combined Authority and the 2006 regulatory findings made against Barclays on the manipulation of LIBOR.
- 1.2 To recommend that authorisation be given to the Managing Director: to make a decision following consideration of legal advice and in consultation with the Chair of the Combined Authority and Head of Legal and Governance Services on whether or not to proceed with service of the claim form; to take all necessary steps in relation to the proceedings; and take such action as is necessary to protect the interests of the Combined Authority.

2. Information

- 2.1 A formal agreement has been entered into between the Combined Authority and Hausfeld LLP (Hausfeld) engaging Hausfeld to provide legal representation to the Combined Authority and to provide detailed advice on the merits of the Combined Authority's claim.
- 2.2 Officers are in the process of providing instructions to Hausfeld and detailed legal advice on the merits of the Combined Authority's claim is expected on or before 26 October 2018.

2.3 The claim form that has been issued must be served on Barclays on or before 26 October 2018 and as such a decision on whether or not to proceed with the claim must be made in advance of the next meeting of the Combined Authority.

2.4 Details of the potential estimated cost of legal proceedings beyond service of the claim are included in confidential **Appendix 1 and Appendix 2**.

3. Inclusive Growth Implications

3.1 There are no inclusive growth implications directly arising from this report.

4. Financial implications

4.1 The financial implications are set out in **Appendix 1 and Appendix 2**.

5. Legal implications

5.1 The legal implications associated with the claim were set out in a confidential appendix to the report considered by the Combined Authority on 2 August 2018. The legal costs associated with the claim are set out in **Appendix 1 and Appendix 2**.

5.2 The information contained in **Appendix 1 and Appendix 2** is exempt under paragraph 5 of Part 1 to Schedule 12A of the Local Government Act 1972 as it contains legally privileged information. It is considered that the public interest in maintaining the content of the appendices as exempt outweighs the public interest in disclosing the information as publication could prejudice legal proceedings.

6. Staffing implications

6.1 There are no staffing implications directly arising from this report.

7. External consultees

7.1 No external consultations have been undertaken.

8. Recommendations

8.1 That the Managing Director be authorised:

- (i) to make a decision following consideration of legal advice and in consultation with the Chair of the Combined Authority and Head of Legal and Governance Services on whether or not to proceed with service of the claim form;
- (ii) to take all necessary steps in relation to the proceedings; and
- (iii) to take such action as is necessary to protect the interests of the Combined Authority.

9. Background documents

9.1 Letter of engagement with Hausfeld (confidential).

9.2 Claim form issued.

9.3 Report to the Combined Authority dated 2 August 2018

10. Appendices

Appendix 1 – Legal note on costs (**Confidential**)

Appendix 2 – Estimated legal costs (**Confidential**).