



Agenda Item 8

Leader's Report to Council – 26th February 2014

Leaders Announcement - Icelandic Update

As recently reported the Council has sold its claim against the insolvent estate of the Landsbanki Icelandic bank and recovered almost 97% of the £3m originally deposited. This sale was in the best interests of the District's council tax payers as it has resulted in the receipt of a substantial cash payment now, rather than having to wait until 2018, or beyond for further payments. It is good that we have now recovered the overwhelming proportion of this investment.

Good progress continues to be made in relation to the recovery of the two remaining investments with the Heritable and Kaupthing Singer and Friedlander with regular dividend payments. Since my previous report, we have received a further dividend from KSF on the 18th December 2013 of £125,000, so now have just £925,000 outstanding from this original investment of £5m.

The Council now has £985k in total outstanding with the two remaining Icelandic banks, Heritable and KSF. The Council will continue to work hard to secure the expedient return of these funds, and remain optimistic about their continuing recovery over a much shorter timeframe than would have been possible had we not sold the Landsbanki claim.

The Council will receive further updates on the likely settlements from the two remaining banks, and given the increases in the settlements reported for KSF and the Heritable, we could well recover the vast majority of the original investments.

As always I will continue to update Council on the progress of the recovery of these investments, however it is good to know that we continue to make progress. We have now received just under 84% of the total outstanding for the two remaining investments and dividend repayments continue to be received to count down this balance.

John Campion
Leader of the Council.