

## **CHESHIRE EAST COUNCIL**

Minutes of a meeting of the **Joint Extra Care Housing Management Board**  
held on Wednesday, 12th May, 2010 at Room 2, Wyvern House, The  
Drumber, Winsford, CW7 1AH

### **PRESENT**

Councillor R Domleo (Chairman)  
Councillor Dowding (Vice-Chairman)

Councillors P Mason and Manley

### **Officers**

Phil Lloyd, Head of Adult Services, Cheshire East Council  
Andrew Leadbetter, Legal Services Manager, Cheshire East Council  
Dominic Oakenshott, People Finance Lead, Cheshire East Council  
Lynn Glendenning, Commissioning Manager, Cheshire East Council  
Sophie Middleton, Contract Manager – PFI Extra Care Housing  
Paul Jones, Democratic Service Team Leader, Cheshire East Council  
Mick Howarth, Head of Operations, Adult Social Care & Health, Cheshire West  
& Chester Council

### **16 APOLOGIES FOR ABSENCE**

Apologies were received from Councillor Les Ford.

### **17 DECLARATIONS OF INTEREST**

No declarations of interest were made.

### **18 PUBLIC SPEAKING TIME/OPEN SESSION**

There were no members of the public present.

### **19 MINUTES OF THE PREVIOUS MEETING**

#### **RESOLVED:**

That the minutes of the meeting held on 2 March 2010 be approved as a correct record.

### **20 ROUND 3 EXTRA CARE HOUSING UPDATE**

Consideration was given to a report which summarised the current position in the Round 3 Extra Care Housing Schemes in the Cheshire East and Cheshire West & Chester Council areas.

Five PFI Extra Care Housing Schemes had opened in Handforth, Ellesmere Port, Middlewich, Winsford and Crewe during 2009, providing a total of 433 apartments. The report gave details of the present occupation rates for each category of apartments - rented, shared ownership and outright sales, along with further general information about the scheme and ongoing management.

**RESOLVED:**

That the Report be noted.

**21 EXTRA CARE HOUSING SURVEY RESULTS**

Consideration was given to a summary of the Avantage Customer Survey, which was carried out in January/February 2010.

Avantage were contracted to carry out an Annual Customer Satisfaction Survey covering all aspects of living in Extra Care including housing, care and restaurants. The survey was carried out on Avantage's behalf by an independent company.

A total of 239 questionnaires were sent out and 158 responses received. The results showed that 92.7% of respondents were either very or fairly satisfied with the overall service provided.

Further work would be carried out with Avantage, Housing 21 and CBS Catering on areas identified in the survey where satisfactory levels were, relatively speaking, less favourable compared to overall satisfaction. The results of this would be reported to the Extra Care Housing Management Board in due course.

**RESOLVED:**

That the results of the Annual Customer Survey 2009/10 be noted.

**22 LESSONS LEARNED**

Consideration was given to information submitted by Gleeds, Technical Advisors to Cheshire East Council and Cheshire West & Chester Council for Round 3, which set out the feedback obtained from the Lessons Learned workshop run to review the Round 3 Extra Care Housing PFI Schemes.

The comments received on the Round 3 submission and the relevant actions to be taken on Round 5 were listed in the appendix to the report.

In developing the business case for Round 5 it would be important to take account of the financial impact of the lessons learned from Round 3 and build this into the Business Case and plans.

**RESOLVED:**

That the report be noted.

**23 DELEGATION AND ROLES**

Consideration was given to the roles and responsibilities in relation to the Extra Care Housing PFI project.

It was important that there was clarity about the decision making process for Extra Care Housing and Appendix 1 to the Report detailed the respective responsibilities of the Councils and the Joint Extra Care Housing Management Board.

The Homes and Communities Agency had stated that it expected there to be a full time Project Manager and Lynn Glendenning had been earmarked for this role. The responsibilities of the Project Manager were detailed in Appendix 2 to the report.

**RESOLVED:**

- 1 That the roles and responsibilities in relation to the Extra Care Housing PFI project be noted.
- 2 The requirement for a full time Project Manager be supported.

**24 FINANCIAL UPDATE**

Consideration was given to a report which provided an update on the financial arrangements surrounding the shared Round 3 and Round 5 Extra Care Housing Schemes.

For Round 3 during 2009/10 expenditure had been incurred by both Councils on staffing, transport, premises, catering and set up costs across the five sites. The main element of Round 3 was the payment to Avantage Ltd for the management of the sites and the offsetting grants received via PFI credits. A number of elements had been identified which had resulted in increased costs to the scheme and these were to be factored into the business case for Round 5. These included the set up costs as new residents moved in which were higher than anticipated, mainly due to occupier's specific needs; and higher than anticipated losses on the catering provision.

During the early part of 2009/10 a mini review of the various assumptions built into the financial model for the thirty year profile was undertaken. The review included assessing how the changes to the financial conditions

following banking difficulties had and might impact on the long term viability of the scheme.

The Round 5 scheme continued to be refined following feedback from the Housing and Communities Agency and other Government Agencies. During 2009/10, set up costs of £254,000 had been incurred, with much of this expenditure related to planning issues. The Round 5 scheme has a budget of £1.2m for Project Management costs, of which 20% had already been incurred. This was higher than anticipated and would require tight control during the latter stages of the development in order to remain in budget.

**RESOLVED:**

- 1 That the income and expenditure position on the Round 3 scheme during 2009/10 compared with the anticipated position at this stage in the thirty year scheme be noted.
- 2 The implementation costs incurred to date be noted.

**25 UPDATE ON HCA SUBMISSION**

Consideration was given to a report which provided a status report on the discussions with the Homes and Communities Agency (HCA) regarding the Outline Business Case and the upcoming work and resources implications.

The Programme Director and officers of both Councils had been in active discussions with the HCA in response to their request for additional information in advance of the submission of a final Outline Business Case which would need to be approved by Members. The information requested related to the need for additional PFI credits to secure the delivery of 200 apartments for social rental.

It would be necessary for officers to have satisfied the additional requirements specified by the HCA and finalised the Outline Business Case by 28 May. This would enable the respective Cabinet/Executive to determine matters of affordability and for the Board to review and sign off the Outline Business Case prior to submission in mid June.

To ensure that the work was completed on time, it was proposed to direct senior manager time in Strategic Commissioning of the Lead Authority to this effect and adjust other priority work areas accordingly. It was not possible to release appropriate officer time in Finance and Legal due to completing priorities. Therefore it was necessary to utilise some short-term external support (either directly or to 'back fill' displaced work) which would be funded by the project budget.

**RESOLVED:**

- 1 That the report be received and the actions required to progress the final Outline Business Case for Extra Care Housing Round 5 be noted.
- 2 The requirement for additional input to the Project Team in order to meet the HCA deadline and the use of external advice to support the Project Team or assist in covering other displaced work be noted.

**26 DRAFT PROJECT PLAN ROUND 5**

Consideration was given to a report which outlined the draft project plan and key dates for Round 5 covering from the production of the outline business case in May 2010 to the financial close in January 2013.

The project timetable had been structured to follow the Competitive Dialogue process; with the aim of short listing three Participants as soon as possible as Bidders had raised concerns about bid costs.

**RESOLVED:**

That the project plan and key dates be noted.

The meeting commenced at 4.15 pm and concluded at 5.05 pm

Councillor R Domleo (Chairman)