

CHESHIRE EAST COUNCIL

Minutes of a meeting of the **Joint Extra Care Housing Management Board** held on Tuesday, 15th June, 2010 at Room 1 - Wyvern House, The Drumber, Winsford, CW7 1AH

PRESENT

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

Councillors L Ford, F Keegan, H Manley and P Mason

OFFICERS

Chris Chapman, Borough Solicitor, Cheshire East Council
Phil Lloyd, Head of Adult Services, Cheshire East Council
Lynn Glendenning, Extra Care Housing Project Manager, Cheshire East Council
John Gregson, Project Accountant, Cheshire East Council
Mick Howarth, Head of Operations, Adult Social Care & Health, Cheshire West and Chester Council

1 APOLOGIES FOR ABSENCE

No apologies were received.

2 DECLARATIONS OF INTEREST

No declarations of interest were made.

3 PUBLIC SPEAKING TIME/OPEN SESSION

There were no members of the public present.

4 MINUTES OF PREVIOUS MEETING

RESOLVED:

That the minutes of the meeting held on 12 May 2010 be approved as a correct record.

5 ROUND FIVE ~ OUTLINE BUSINESS CASE RESUBMISSION

Consideration was given to a report on the changes made to the Outline Business Case following discussions with the Home and Communities Agency (HCA) in response to their requests for additional information in advance of the resubmission of a final Outline Business Case.

The key developments which affected the Outline Business Case since its original submission were:

- an increase in PFI credits from £59.9 million to £66.1 million, which was considered essential to ensure affordability
- a reduction in the number of units from 400 to 300, still retaining the 200 PFI units to ensure planning obligations were met and to respond to the changes in the housing market and the appetite of developers to provide for sale/shared ownership units
- a combined contribution of up to £300k per annum from the Councils would be required, which has already been agreed by both Councils
- removal of any cross subsidy from development units
- a significantly improved position in relation to deliverability as outline planning permission had been secured on two sites, with a high likelihood of success on the remaining sites
- an agreed and working set of governance arrangements, and a well developed inter authority agreement

The resubmission of the Outline Business Case would allow the Councils' interests in the extra care PFI to be considered by the HCA prior to a decision later in the year.

RESOLVED:

That the resubmission of the Outline Business Case to the Home and Communities Agency be authorised.

6 PROCUREMENT OF ADVISORS

Consideration was given to a report on the likely resourcing requirements and method of procurement for external advice to the Extra Care PFI project.

The Project would, if approved, be procured using the Competitive Dialogue process. This process was complex and hugely resource intensive and would require external advice to support in-house capacity to ensure timely project delivery. The ability to demonstrate a robust project delivery resource was a pre-requisite of the grant of PFI credits and a key concern of HCA in terms of project delivery. When Round 3 had been undertaken external advisors in legal, finance, project management, technical and insurance had been used.

The bespoke procurement of this support could take 3-4 months to comply with EU procurement but there were some alternatives which would allow the time and effort involved in bespoke procurement to be minimised. These included the use of call-off contract arrangements; the restructuring of existing staff workloads and supplementing as necessary with external provision; and the engagement of experienced agency staff to work on the project in place of/to minimise external advise.

The key to the process was to ensure that adequate time and resources were made available both for the procurements and for the project itself. Officers would continue to develop the ideas outlined and report back to the Management Board at a future meeting.

RESOLVED:

The report be noted.

7 EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED:

That the press and public be excluded from the meeting during consideration of the following item pursuant to Section 100(A)4 of the Local Government Act 1972 on the grounds that they involved the disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 and public interest would not be served in publishing this information.

8 INTER AUTHORITY AGREEMENT

Consideration was given to a report on the latest draft of the Inter Authority Agreement.

The Inter Authority Agreement set out the responsibilities of the respective Councils and the governance arrangements for the Extra Care Housing PFI project.

RESOLVED:

- (1) The draft Inter Authority Agreement be approved for submission as part of the revised Submission to the Homes and Communities Agency, subject to the clause, schedules and references being completed.
- (2) The Borough Solicitor and Head of Legal & Democratic Services be authorised to settle the final version of the Inter Authority Agreement and execute the document on behalf of the respective Councils that they advise, in consultation with the Portfolio Holders.

The meeting commenced at 4.15 pm and concluded at 4.45 pm

Councillor R Domleo (Chairman)