



**Executive**  
23 June 2010

**Report from the Director of  
Housing and Community Care**

Wards affected:  
ALL

**Amendment to Housing and Social Care Non HRA PFI  
Project – Authority to Award Phase 2 of Contract Report**

## **1.0 SUMMARY**

- 1.1 This report notifies the Executive of an amendment that is required to be made to a recommendation approved by Members in relation to the Housing and Social Care Non HRA PFI Project at Executive Committee Meeting held on 15<sup>th</sup> March 2010. The Executive is asked to give approval to the number of units to be delivered under Phase 2 of the PFI scheme.

## **2.0 RECOMMENDATIONS**

- 2.1 The Executive is asked to note that the revised total of units to be delivered at Phase 2 of the scheme is **169 units** instead of the 165 units that were reported to Members in the report present to the Members on 15<sup>th</sup> March 2010.
- 2.2 The Executive is asked to approve the following recommendation to replace the recommendation which was set out in paragraph 2.2 of the report in respect of this matter to the Council's Executive meeting on 15 March 2010::

***To agree to the revised total of 169 units at Phase 2 of the scheme – taking total units for Phase 1 and Phase 2 to 384 – as set out in paragraph 4.6 of the report submitted to the Executive on 15 March 2010.***

## **3.0 BACKGROUND**

- 3.1 The Executive is referred in particular to recommendation in paragraph 2.2 of the main report in relation to the Housing and Social Care Non HRA PFI Project which attached to Appendix 1. The total number of units to be delivered under phase 2 of the scheme is 169 units instead of 165 units that were reported to Members at the Executive meeting held on 15<sup>th</sup> March 2010.

Members are asked to note that the reference to 165 units in the recommendation was made in error.

3.2 Paragraph 3.6 of the March report confirmed that 169 units are to be delivered under phase 2 of the scheme and a breakdown of the 169 units and the sites were they were to delivered from had been provided in Table 2.

3.3 This amendment to the recommendation is necessary as the Council will need to satisfy the lenders who are funding this Housing and Social Care PFI scheme that the Executive has provided the correct authority in order to enter into the scheme. At present, as the current Executive approval refers to 165 units it is necessary to make an amendment to the recommendation set out in paragraph 2.2 of the March 2010 as follows:

***“Agree to the revised total of 169 units at Phase 2 of the scheme – taking total units for Phase 1 and Phase 2 to 384 – as set out in paragraph 4.6 of the report”.***

3.4 Officers are working towards achieving financial close of Phase 2 of the scheme by the end of June 2010. In order achieve this officers are finalising the contract documentation to support the variation to the Contract in order to deliver 384 units under Phase 1 and Phase 2 of the PFI scheme. In order for the Contract to be valid, the Council is required to provide a certified copy of the Executive’s decision and related documents approving entry in the scheme. The proposed amendment to the recommendation set out in paragraph 2.2 of the March report is intended to correctly reflect the number of units being delivered under Phase 2 of the PFI scheme. If Members do not approve this amendment, then the Council will not be able to provide the necessary certification to enable financial close of the variation to the contract to be achieved by the end of June 2010.

#### **4.0 FINANCIAL IMPLICATIONS**

4.1 There are no additional financial implications to those set out in the main report which was submitted to the Executive on 15 March 2010.

#### **5.0 LEGAL IMPLICATIONS**

5.1 There are no additional legal implications to those set out in the main report and the supplementary report which were submitted to the Executive on 15 March 2010.

#### **6.0 DIVERSITY IMPLICATIONS**

6.1 There are no additional diversity implications to those set out in the main report which was submitted to the Executive on 15 March 2010.

#### **7.0 STAFFING/ACCOMMODATION IMPLICATIONS**

7.1 There are no staffing/accommodation issues arising in this report.

#### **8.0 BACKGROUND PAPERS**

8.1 Background papers are available from Manjul Shah, Head of Affordable Housing, 7<sup>th</sup> Floor, Mahatma Ghandi House, 34 Wembley Hill Road, Wembley, Middlesex HA9 8AD.

## **9.0 CONTACT OFFICERS**

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