



Office of the
Deputy Prime Minister

Creating sustainable communities

Chief Executive Officers
Housing Directors
All Local Authorities in England

Other interested parties

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5 December 2005

Dear Sir/Madam

Housing Private Finance Initiative (PFI): The Fifth Bidding Round

This letter invites outline proposals from authorities who wish to pursue PFI projects for additional Social Rented Housing and the delivery of Decent Homes through the receipt of central government support in the form of PFI credits. This will be the fifth bidding round of PFI schemes and authorities successful in this round should be aiming to sign contracts with their selected PFI Contractor by 2009.

Proposals must be received by the Office by **31 March 2006** and should be submitted in the format specified in the attached guidance.

The Office hopes to make decisions on which projects might go forward before the summer recess. Local authorities whose projects are selected at this first stage will then need to prepare a full Outline Business Case for consideration by the inter-departmental Project Review Group (PRG). PRG must endorse all local government PFI projects in line for central government support before they proceed to competition. We hope that most authorities in this round will be in a position to seek PRG endorsement in early 2007.

Please note that HRA proposals being submitted for the Fifth Housing PFI programme will need to have met the Option Appraisals requirement for sign off by Government Offices prior to an authority submitting an expression of interest.

In assessing and selecting Housing schemes, the Office will take account of the housing-specific criteria mentioned in Annex A of the attached guidance and will also be mindful of the criteria to be applied by all government departments in considering whether to submit schemes for PRG endorsement (see Annex B of the guidance).

We shall also be asking the relevant Government Office in your region to comment on proposals and, in particular, to give their views on the appropriateness and deliverability of individual schemes, given local circumstances and the regional priorities.

Please do not hesitate to call the housing PFI team within ODPM if you have questions. Contact points are as follows:

Sheldon Ferguson 020 7944 8117
sheldon.ferguson@odpm.gsi.gov.uk

Jon Yates 020 7944 3625
jon.yates@odpm.gsi.gov.uk

Theresa Donohue 020 7944 6452
theresa.donohue@odpm.gsi.gov.uk

Timothy Coburn 020 7944 8110
timothy.coburn@odpm.gsi.gov.uk

Outline proposals (2 hard copies and an electronic copy) should be sent by 31st March 2006 to Mumuna Shallow at ODPM, 2/E2 Eland House, Bressenden Place, London SW1E 5DU and mumuna.shallow@odpm.gsi.gov.uk.

Yours faithfully



Ellie Simcox