

DATED 23 February 2011

CERTIFICATE

SECTION 3 – LOCAL GOVERNMENT (CONTRACTS) ACT 1997

PROJECT AGREEMENT

Relating to

North West Fire and Rescue PFI Project



DICKINSON DEES

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**CERTIFICATE ISSUED UNDER SECTION 3 OF THE LOCAL GOVERNMENT (CONTRACTS)
ACT 1997 ("the Act")**

This certificate is given by Merseyside Fire and Rescue Authority ("the Authority") under section 3 of the Act in respect of a Project Agreement dated 23 February 2011 ("the Contract") between the Authority, Cumbria County Council, and Lancashire Combined Fire Authority (1) and Balfour Beatty Fire and Rescue NW Limited ("the Contractor") (2).

1. PERIOD OF CONTRACT – s3(2)(a) OF THE ACT

The Contract is to operate (subject as provided therein) from the Commencement Date (as defined in the Contract), until the earlier of the Expiry Date (as defined in the Contract) or the Termination Date (as defined in the Contract).

2. PURPOSE OF THE CONTRACT – s3(2)(b) OF THE ACT

The purpose of the Contract is to provide for the design, build, financing and operation and maintenance of replacement fire stations and the undertaking of certain ancillary, demolition and site clearance works at various sites in Merseyside, Cumbria and Lancashire as more particularly specified in the Contract.

3. CONTRACT TYPE – s3(2)(c) OF THE ACT

The Contract falls within section 4(3) of the Act.

4. POWERS TO ENTER INTO THE CONTRACT – s3(2)(d) OF THE ACT

The Authority has the power to enter into the Contract pursuant to section 111 of the Local Government Act 1972 and section 1(1) of the Act.

5. COPIES OF CERTIFICATE – s3(2)(e) OF THE ACT

A copy of this certificate is to be given to each person to whom a copy is required to be given by the Local Authorities (Contracts) Regulations 1997 (as amended) ("the Regulations") as follows:-

- 5.1 pursuant to regulation 3 of the Regulations, to the Contractor, to Cumbria County Council and to Lancashire Combined Fire Authority; and
- 5.2 pursuant to regulation 4 of the Regulations, to the monitoring officer and auditor of the Authority.

6. MATTERS TO BE DEALT WITH IN THE CERTIFICATE – s3(2)(f) OF THE ACT AND REGULATION 6 OF THE LOCAL AUTHORITIES (CONTRACTS) REGULATIONS 1997

The main relevant functions, the discharge of which the Contract is calculated to facilitate, and/or is conducive to or incidental to, are those conferred by sections 6 to 20 of the Fire and Rescue Services Act 2004.

7. COMPLIANCE WITH REGULATIONS – s3(2)(g) OF THE ACT

The Authority has complied or will comply with all requirements imposed by the Regulations with respect to the issue of certificates under section 3(2) of the Act.

8. CONSENT OF OTHER PARTIES TO THE CONTRACT – s3(4) OF THE ACT

The Contractor, Cumbria County Council and Lancashire Combined Fire Authority are the only other parties to the Contract, and by clause 84.2 of the Contract those parties have consented to the issue of this certificate.

Signed this 23rd day of February 2011



Name:- K. S. THOMAS

being duly authorised by the Authority and being a chief finance officer/a person who, as respects all or most of the duties of their post, is required to report directly or is directly accountable to the chief finance officer, as required by regulation 7(3) of the Local Authorities (Contracts) Regulations 1997.

Merseyside Fire and Rescue Authority
Merseyside Fire and Rescue Service Headquarters
Bridle Road
Bootle
Merseyside
L30 4YD

Copies to:-

The Contractor
Cumbria County Council
Lancashire Combined Fire Authority
The Authority's Monitoring Officer
The Authority's Auditor

DATED 23 February 2011

CERTIFICATE

SECTION 3 – LOCAL GOVERNMENT (CONTRACTS) ACT 1997

DIRECT AGREEMENT

Relating to

North West Fire and Rescue PFI Project



DICKINSON DEES

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**CERTIFICATE ISSUED UNDER SECTION 3 OF THE LOCAL GOVERNMENT (CONTRACTS)
ACT 1997 ("the Act")**

This certificate is given by Merseyside Fire and Rescue Authority ("the Authority") under section 3 of the Act in respect of a Funders Direct Agreement dated 23 February 2011 ("the Direct Agreement") between the Authority, Cumbria County Council and Lancashire Combined Fire Authority (1), Dexia Crédit Local ("the Facility Agent") (2), Dexia Management Services Limited ("the Security Trustee") (3) and Balfour Beatty Fire and Rescue NW Limited ("the Contractor") (4).

1. PERIOD OF DIRECT AGREEMENT – s3(2)(a) OF THE ACT

The Direct Agreement is to operate from the date of execution and remain in force until the later of:-

- 1.1 the expiry of the period for which the project agreement dated 23 February 2011 between the Authority, Cumbria County Council and Lancashire Combined Fire Authority (1) ("the Authorities") and the Contractor (2) ("the Contract") is intended to operate (as provided in the Contract); or
- 1.2 the date on which all amounts which may be or become owing by the Contractor to the persons providing finance to the Contractor for the project as contemplated by the Senior Financing Agreements (as such term is defined in the Contract) have been irrevocably paid in full.

2. PURPOSE OF DIRECT AGREEMENT – s3(2)(b) OF THE ACT

The purpose of the Direct Agreement is to provide, inter alia, for:-

- 2.1 the Authority's consent to the granting of security over the Contractor's rights under the Contract;
- 2.2 in the event that the Authorities would otherwise have the right to terminate the Contract, a suspension of the rights of the Authorities to terminate the Contract;
- 2.3 "step-in" and "step-out" rights for the Facility Agent or the Security Trustee through a Representative (as defined in the Direct Agreement) in respect of the Contract;
- 2.4 a pre-agreed novation mechanism in respect of the Contract;
- 2.5 the application of insurance proceeds; and
- 2.6 certain related undertakings given by the Authorities, the Facility Agent and the Security Trustee.

3. AGREEMENT TYPE – s3(2)(c) OF THE ACT

The Direct Agreement falls within section 4(4) of the Act.

4. POWERS TO ENTER INTO THE DIRECT AGREEMENT – s3(2)(d) OF THE ACT

The Authority has power to enter into the Direct Agreement pursuant to section 111 of the Local Government Act 1972 and section 1(2) of the Act.

5. **COPIES OF CERTIFICATE – s3(2)(e) OF THE ACT**

A copy of this certificate is to be given to each person to whom a copy is required to be given by the Local Authorities (Contracts) Regulations 1997 (as amended) (“the Regulations”) as follows:-

- 5.1 pursuant to regulation 3 of the Regulations, to the Contractor, the Facility Agent, the Security Trustee, Cumbria County Council and Lancashire Combined Fire Authority; and
- 5.2 pursuant to regulation 4 of the Regulations, to the monitoring officer and auditor of the Authority.

6. **MATTERS TO BE DEALT WITH IN THE CERTIFICATE – s3(2)(f) OF THE ACT AND REGULATION 6 OF THE LOCAL AUTHORITIES (CONTRACTS) REGULATIONS 1997**

The main relevant functions, the discharge of which the Direct Agreement is calculated to facilitate, and/or is conducive to or incidental to, are those conferred by sections 6 to 20 of the Fire and Rescue Services Act 2004.


7. **REQUIREMENTS WITH RESPECT TO ISSUE OF CERTIFICATE – s3(2)(g) OF THE ACT**

The Authority has complied or will comply with all requirements imposed by the Regulations with respect to the issue of certificates under section 3(2) of the Act.

8. **CONSENT OF OTHER PARTIES TO THE DIRECT AGREEMENT – s3(4) OF THE ACT**

By clause 84.2 of the Contract, the Contractor, Cumbria County Council and Lancashire Combined Authority have consented to the issue of this certificate, and by clause 19.2 of the Direct Agreement the Facility Agent and the Security Trustee have consented to the issue of this certificate, and the Contractor, Cumbria County Council, Lancashire Combined Fire Authority, the Facility Agent and the Security Trustee are the only other parties to the Direct Agreement.

Signed this 23rd day of February 2011



Name: K. Timmins

Being duly authorised by the Authority and being a chief finance officer/a person who, as respects all or most of the duties of their post, is required to report directly or is directly accountable to the chief finance officer, as required by Regulation 7(3) of the Local Authorities (Contracts) Regulations 1997.

Merseyside Fire and Rescue Authority
Merseyside Fire and Rescue Service Headquarters
Bridle Road
Bootle
Merseyside
L30 4YD

Copies to:-

The Contractor
The Facility Agent
The Security Trustee
Cumbria County Council
Lancashire Combined Fire Authority
The Authority's Monitoring Officer
The Authority's Auditor

8th February 2011

To whom it may concern

Dear Sirs

North West Fire and Rescue Services PFI Project

I confirm that for the purposes of Regulation 7(2) of The Local Authorities (Contracts) Regulations 1997, Kieran Timmins (Assistant Chief Executive & Treasurer) is a statutory chief officer within the meaning given to that expression in section 2(6) of the Local Government and Housing Act 1989 and is therefore authorised to certify that the Project Agreement, its Schedules and the Direct Agreement are intra vires in accordance with the Local Government (Contracts) Act 1997 as confirmed in the minutes of a meeting of the Merseyside Fire and Rescue Authority dated 21 September 2010.

I further confirm that for the purposes of Regulation 7(2) of The Local Authorities (Contracts) Regulations 1997, Ian Cummins is a deputy chief officer within the meaning given to that expression in section 2(8) of the Local Government and Housing Act 1989 and is therefore authorised to certify that the Project Agreement, its Schedules and the Direct Agreement are intra vires in accordance with the Local Government (Contracts) Act 1997 as confirmed in the minutes of a meeting of the Merseyside Fire and Rescue Authority dated 21 September 2010.

Signed

Janet Hewshaw

Dated

8th February 2011

Name


JANET HEWSHAW

Position

CLERK TO THE AUTHORITY

MERSEYSIDE FIRE AND RESCUE AUTHORITY (the "Authority")
NORTH WEST FIRE AND RESCUE SERVICES PFI PROJECT (the "Project")
SPECIMEN SIGNATURES FOR CERTIFICATES ISSUED UNDER SECTION 3 OF
THE LOCAL GOVERNMENT (CONTRACTS) ACT 1997

The following signatories are authorised to certify that the Project Agreement and its Schedules and the Direct Agreement are intra vires in accordance with the Local Government (Contracts) Act 1997 pursuant to the authorisation granted at a special meeting of the Authority held on 21 September 2010.

Name	Title	Signature
Kieran Timmins	Assistant Chief Executive & Treasurer	
Ian Cummins	Director of Finance	