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UK Private Finance Initiative Projects: summary data

Introduction

1.1 HM Treasury publishes summary data on UK Private Finance Initiative (PFI) projects twice yearly alongside fiscal events. The information is provided by the Departments that procured or sponsored¹ the projects, and is not audited by HM Treasury. The information currently published was gathered by HM Treasury during a data collection exercise between January and March 2011.

1.2 HM Treasury publishes the following information:

- **Signed projects list including ownership data** – an Excel workbook containing information in relation to projects which had reached financial close by 16 March 2011.
- **Projects in procurement** – an Excel workbook containing information in relation to projects which had issued their OJEU² notice by 16 March 2011.
- **Estimated capital spending by the private sector (signed projects)** – Departmental estimates of the total expected capital expenditure by the private sector under signed PFI contracts, by department, for each of the next two financial years, published at Table 1A at Annex A.
- **Estimated capital value of projects expected to reach preferred bidder stage** – Departmental estimates of the total capital value of projects in procurement which are expected to reach preferred bidder stage in each of the next two financial years, by Department, published at Table 1B at Annex A.
- **Estimated aggregated annual payments under PFI contracts** – the total of unitary charges expected to be paid on all signed PFI contracts by financial year, published at Table 1C at Annex A.

Signed projects list including ownership data

1.3 This is an Excel workbook containing information in relation to projects which had reached financial close by 16 March 2011. It sets out the following information:

- commissioning body and region;
- date of financial close;
- project status (in operation or in construction);

¹ Sponsor means projects that are part funded by Departments but delivered by other bodies such as Local Authorities or NHS Trusts.

² Official Journal of the European Union.

- operational period of contract;
- balance sheet treatment under IFRS, UK GAAP and ESA95;
- estimated capital value;
- unitary charge payments by financial years across the life of the project (these are presented as nominal figures i.e. they have assumptions about indexation and have not been discounted); and
- ownership data – details of the current shareholders in the Special Purpose Vehicles (SPVs) that have contracted with the public sector to deliver services.

1.4 At each data collection the information in the signed projects list is updated to account for:

- projects that have been signed since the previous data collection exercise;
- projects that have concluded or been terminated;
- projects that have changed their contractual structures that means they are no longer classed as PFI;
- projects that have been contractually merged; and
- updated information on existing projects.

1.5 When the spreadsheet opens a prompt message may appear asking whether you want to update the spreadsheet with changes made in a linked workbook. If this does appear click 'no'.

PFI projects in procurement

1.6 This is an excel workbook containing information in relation to projects which had issued their OJEU notice by 16 March 2011. It sets out the following information:

- commissioning body and region;
- date of OJEU;
- expected date of preferred bidder;
- estimated date of financial close;
- operational period of contract; and
- estimated capital value.

Estimated capital spending by the private sector (signed projects)

1.7 This is a summary table found in Annex A (Table 1.A). It contains the total expected capital expenditure by the private sector on signed PFI contracts, broken down by department, for each of the next two financial years.

1.8 It should be noted that this refers to the expected capital expenditure by the private sector in each financial year, and not to the capital value of projects. The single year capital expenditure on a project is likely to be significantly less than the project's capital value because capital spending will typically be spread over a number of years.

1.9 This therefore provides an indication to the level of private sector investment being made in PFI projects in each of the next two financial years.

Estimated capital value of projects expected to reach preferred bidder stage

1.10 This is a summary table found in Annex A (Table 1.B). It contains the total capital value of the PFI projects in procurement which are expected to reach preferred bidder stage in each of the next two financial years. This table is also broken down by Department.

1.11 This indicates the total level of private sector investment that is expected from projects that are due to reach preferred bidder stage over the next two financial years.

Estimated aggregated annual payments under PFI contracts

1.12 This is a summary table found in Annex A (Table 1.C). It contains the total unitary charge expected to be paid on all signed PFI contracts. The data is presented in financial years across the life of each project.

1.13 The estimated annual unitary charge payments are presented on a projected nominal basis (i.e. they have assumptions about indexation and have not been discounted).

1.14 The unitary charge payments should not be confused with the capital value of projects. Unitary charges include payments for ongoing services (e.g. catering, cleaning, maintenance and replacement) associated with these projects, as well as repayment of and interest on debt used to finance the capital costs. Unitary charges therefore represent the whole life cost associated with the projects. The capital values recorded for PFI projects and conventionally procured projects do not include these ongoing costs.

Changes since the last data returns Budget March 2010

1.15 HM Treasury has introduced a unique identifier for each project to assist collation of the data. These appear in the Excel workbooks and will help with queries about specific projects.

1.16 Ownership data is now included in the signed deals workbook rather than a separate workbook. This change was made to align with the new unique identifiers and to provide more consistency between data.

1.17 In previous years Table 1.B has included information from some projects which had not yet issued an OJEU notice. Information on these projects has been excluded this year given the uncertainty of timescales at the pre-procurement stage.

General disclaimer

1.18 The data presented in the excel workbooks and summary tables is based on returns from Departments and has not been audited by HM Treasury. Some Departments have relied on data provided by other bodies such as Local Authorities.

1.19 The data is presented as at 16 March 2011 and will not be updated until the next data collection exercise. The date of the next update will align with fiscal events.

1.20 The ownership data in the signed projects workbook is not yet complete. Departments continue to collect this information to inform the next data update.

A

Annex

Table 1.A: Departmental estimate of capital spending by the private sector - signed projects^{1,2, 3, 4}

	£ million	
	Forecasts	
	2011-12	2012-13
Department for Communities and Local Government	163	50
Department for Culture, Media and Sport	23	0
Department for Education	595	189
Department for Environment, Food and Rural Affairs	422	367
Department for Transport	555	265
Department of Health	211	107
Ministry of Defence	637	470
Ministry of Justice	40	0
Northern Ireland Executive	109	1
Scottish Government	54	0
Welsh Assembly	0	0
Other Departments ⁵	4	4
Total	2811	1452

¹ Figures based on departmental returns.

² Investment in assets scored on the public sector balance sheet also score as public sector net investment.

³ PFI activity in local authority projects is included under the sponsoring government department.

⁴ Figures do not include PFI projects undertaken by public corporations.

⁵ Other Departments include CO, CPS, BIS, DECC, DWP, FCO, GCHQ, HMRC, HMT and HO.

Source: Relevant Departments and Devolved Administrations – March 2011

Table 1.B: Estimated aggregated capital value of projects expected to reach preferred bidder stage^{1,2,3}

	£ million	
	Forecasts	
	2011-12	2012-13
Department for Communities and Local Government	391	
Department for Environment, Food and Rural Affairs	1119	
Department for Transport	564	133
Department of Health	866	90
Home Office	189	
Northern Ireland Executive	599	
Total	3728	223

¹ Figures based on departmental returns.

² Only for projects currently in procurement.

³ These figures are the total capital value of projects; the actual annual capital spending figures will be lower, as capital spending on large projects is typically spread over several years.

Source: Relevant Departments and Devolved Administrations – March 2011

Table 1.C: Estimated payments (in nominal terms, undiscounted) under PFI contracts - signed projects¹

£ million			
Forecasts			
2011-12	8569	2030-31	8107
2012-13	9064	2031-32	7618
2013-14	9497	2032-33	7155
2014-15	9646	2033-34	6491
2015-16	9700	2034-35	5895
2016-17	9645	2035-36	5058
2017-18	9747	2036-37	4474
2018-19	9325	2037-38	3854
2019-20	9489	2038-39	3545
2020-21	9549	2039-40	2876
2021-22	9396	2040-41	2188
2022-23	9269	2041-42	1639
2023-24	9257	2042-43	1212
2024-25	9415	2043-44	677
2025-26	9382	2044-45	565
2026-27	9142	2045-46	260
2027-28	9056	2046-47	267
2028-29	8957	2047-48	274
2029-30	8657	2048-49	20

¹ Figures based on departmental returns.

Source: Relevant Departments and Devolved Administrations – March 2011