

* Name of proposal/policy	PFI Scheme – Debt Assignment	* Budget number	15-009-10
* Service area responsible	Place – Asset & Capital Management	* Cabinet meeting date	14 <sup>th</sup> February 2017
* Name of completing officer	A Parry	* Approved by Director / Assistant Director	Tony Ciaburro
* Version	1.0	* Date	2 February 2017

**PART A**

* Section 1a: Description of proposal under consideration/development	* Section 1b: Is this new or existing? Does it link to current provision?
Working with the Schools PFI Contractor seek to achieve an overall annual reduction in payments for the grouped schools PFI contract by amending the payback period.	This relates to reducing the on-going costs of an existing PFI contract.

* Section 2: How does this align with the Council Plan/ corporate priorities/ partnership strategies and plans/ Next Generation Council?	
<b>Delivers increased wellbeing and/or safeguarding by ensuring that...</b>	✓
People of all ages are safe, protected from harm and able to live happy, healthy and independent lives in our communities	
People have the information and support they need to make healthy choices and achieve wellbeing	
People achieve economic prosperity, in a healthy, low carbon economy which gives access to jobs, training and skills development	
Communities thrive in a pleasant and resilient environment, with robust transport and communications infrastructure	

Resources are utilised effectively and efficiently, in coordination with partners and providers	✓
<b>Does it align with any NCC/ partnership strategies and plans? (if so, please list below)</b>	
Management of an existing contractual arrangement. Relates to the overall Education Strategy in the PEOPLE Directorate.	
<b>Does it support the transformation into a Next Generation Council? (if so, please explain below)</b>	
Yes – contractual arrangement part of the commissioning principles of Next Generation Working and the overall Education Strategy in the PEOPLE Directorate.	

**\* Section 3: If this relates to a statutory duty, please give details of the relevant legislation below:**  
 Legally binding agreement to meet PFI contractual arrangements to provide the Schools – which is itself a statutory requirement.

**Section 4: Have other alternatives been considered?**  
 This is a highly technical adjustment to the PFI contract. In the event that it is not achievable alternative proposals will be explored, in particular opportunities for exploiting the County Councils assets.

**\* Section 5: Financial / resource implications**

**a) Costs (e.g. invest to save)**  
 Transformation funds need to be available to assist the legal work required to amend the PFI contract to meet the required annual saving.

**b) Staffing implications**  
 No staffing implications

**c) Savings**  
 Proposals seek to achieve an annual revenue saving of £300k

**Section 6: Has a similar initiative/proposal been implemented elsewhere? What were the benefits or risks? Are there lessons that can be learned?**

Savings on the schools PFI achieved 2016-17.

**THIS SECTION HAS REPLACED THE EQUALITY IMPACT ASSESSMENT FORM AND MUST BE COMPLETED TO DEMONSTRATE COMPLIANCE WITH THE EQUALITY DUTY**

**\* Section 7: Who will be affected by this proposal? (this may be service user data, or be based on a particular geographical area or more general population data depending on the proposal) Include demographic information where this is available e.g. breakdown by gender, age, ethnicity, disability etc. BIPI can support with the provision of data.**

**You may include staff, partner organisations and any other stakeholders who might be affected by the proposal.**

Data Source (include link where published) and summary of what it tells us for example "X number of people use this service, X are male, Y are female etc"	Why is this relevant to the proposal?
N/A	

**\* Section 8: Based on the above information, will this proposal have an impact on the following? ✓ the relevant box for each line and then expand on the reasons why in Section 9**

	Positive	Negative	Neutral	Unsure
<u>Age</u>			✓	
<u>Disability</u>			✓	
<u>Gender reassignment</u>			✓	
<u>Marriage and civil partnership</u>			✓	
<u>Pregnancy and Maternity</u>			✓	
<u>Race</u>			✓	
<u>Religion or Belief (or No Belief)</u>			✓	
<u>Sex</u>			✓	

<b>Sexual orientation</b>			✓	
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<b>* Section 9: Initial impact</b>	
<b>* Section 9a: From your analysis in section 8 above, please explain the positive implications</b>	
N/A	
<b>* Section 9b: From your analysis in section 8 above, please explain why you have categorised any of the implications as neutral</b>	
This is a technical adjustment to the re-payment mechanism of a contract and has no service user impact	
<b>* Section 9b: From your analysis above, please explain the negative implications</b>	<b>* Section 9c: What actions have you identified to mitigate any negative implications?</b>
N/A	N/A
<b>* Section 9d: From your analysis above, please explain the areas where you are unsure of the impact</b>	<b>* Section 9e: What actions have you identified to fill gaps in information?</b>
N/A	N/A

<b>* Section 10: Internal considerations: are there any implications for the following?</b>		
	<b>✓ or X</b>	<b>If there are any implications, please explain them here and identify any actions you may need to take as a result</b>
<a href="#">Staff</a>		
<a href="#">Financial (NCC)</a>	x	Reduced impact on revenue budget through PFI payments
<a href="#">Legal</a>	x	High level legal advice required to adjust the contracts
<a href="#">NCC Policy</a>		
<a href="#">Performance</a>		
<a href="#">Data quality / information security</a>		
<a href="#">IT</a>		

<a href="#">Strategic assets</a>	x	There may variations in terms the level of service to the maintenance of schools
<a href="#">LGSS / federated bodies</a>		
<a href="#">Procurement</a>		
<a href="#">Project support</a>		
<a href="#">Other (if appropriate)</a>		

* Section 11: External considerations: are there any implications for the following?		
	✓ or X	If there are any implications, please explain them here and identify any actions you may need to take as a result
<a href="#">Community impact</a>		
<a href="#">Impact on the consumer (e.g. communication needs, access, rurality, complaints)</a>		
<a href="#">Reputation</a>		
<a href="#">Political</a>		
<a href="#">Partners</a>		
<a href="#">Human Rights</a>		
<a href="#">Health impact – individual</a>		
<a href="#">Health impact – wider community</a>		
<a href="#">Economic impact - individual</a>		
<a href="#">Economic impact – wider community</a>		
<a href="#">Community Safety impact</a>		

<a href="#">Environmental impact</a>		
<a href="#">Consultation</a>		
<a href="#">Other (if appropriate)</a>		

Based on the impacts and considerations above, please identify the RAG status

RAG Status	Overall RAG	Time	Proposal Delivery	Cash Saving	Risk	Issue	Dependency

* Section 12a: What are the risks associated with NOT implementing the proposal? (tick if applicable)		* Section 12b: What actions have you identified to mitigate the risks? Will anything in the current arrangements need to be changed to acknowledge this risk? Is implementing the proposal the only way to mitigate the risks?
Non-compliance with legislation or NCC policy		
Financial	✓	This is a technical adjustment to the re-payment mechanism of a contract. By not undertaking any action NCC would be required to re-pay more upfront impacting negatively on the overall NCC budget envelope.
Change in performance/ data quality/ information security		
Reputational/ Political		
Increase in complaints and/ or legal challenge		
Other		

* Section 13: Budget Delivery Programme Highlight Report information – total amount allocated to savings proposal 2017-18 through to 2020-2021; profiled budget; 2017-18 action plan extended savings narrative; cost code information	
Total amount allocated to savings proposal 2017-18	
2017-18 (£000)	300

Impact of saving within the budget profile			
Q1	Q2	Q3	Q4
			300

  

	Milestone	Owner	By when
1	Investigate feasibility	D Kirk/ I Boll	April 2017

**\* Section 14: Do you need to undertake further work (e.g. consultation, further proposal development, further equality analysis) based on the impact and actions identified above? If yes, set this out below and then carry out the work and complete Part B:**

A detailed feasibility study will be required to fully appreciate the legal implications of amending or varying the PFI contract.

This proposal will form part of the overall budget consultation process. Any feedback received (as well as any further intelligence gathered in the course of developing the project) will inform a final analysis of the impact of the proposal which will be considered by Cabinet and Council in February when taking a final decision on the budget. The EqIA will be updated accordingly.

**PART B**

Section 15: Consultation, follow up data and information gathered from actions identified above	
	What does this information tell us?
This proposal formed part of the overall budget consultation process.	We received no comments specifically on this proposal.

Section 16: Final impact analysis (taking the findings from Part B into account) – including review date if required
This is a technical adjustment to the re-payment mechanism of a contract and has no service user impact and therefore the final impact analysis is neutral.