

Schools PFI Expiry Update

Key Messages

Forum members are asked to:

- Note the information within this report.

1. Introduction/background

- 1.1. A new Private Finance Initiative (PFI) Expiry project team was formed in February/March 2025 to effectively lead Sheffield City Council's (SCC's) PFI Expiry programme. The main priority for the project team is the first batch of PFI contracts which expire August 2026 - 'Phase 1' schools: Tapton School, King Edward VII (lower school), Fir Vale School, Ecclesfield School, Mosborough Primary and Owler Brook Primary.
- 1.2. The objective of the project is to ensure that SCC achieves both value for money from the expiry process and a smooth transition into ownership by the agreed deadline. Key deliverables are that:
 - Schools are handed back to SCC (and academies) in a physical condition which is compliant with the obligations set out in the Project Agreement and by the agreed date.
 - Schools are handed back to SCC (and academies) compliant with all relevant legislation.
 - SCC is in receipt of all the technical and compliance data required to procure the services currently provided by the Special Purpose Vehicle (SPV) and which is needed to maintain the relevant asset registers. This data must be comprehensive and accurate.
 - The services delivered by the SPV are re-provided such that there is a smooth transition of both the service and any staff post the expiry of the PFI arrangement.

2. Governance

- 2.1. The core project team consists of Senior Responsible Owner (SRO); Senior Commercial Manager; Commercial Manager; Commercial Support and dedicated Project Manager support. The project has implemented proven project management principles, tools and techniques to manage and provide ongoing assurance regarding PFI Expiry progress to the Council, executive sponsors and related schools.
- 2.2. A new PFI Expiry plan has been developed with all partners, including MitIE and the SPV for the project. All 'Phase 1' schools have received copies of the

expiry plan through 1-2-1 meetings (in most cases face-to-face). Regular monthly meetings have been scheduled and are seen as vital opportunities for both the project and school to discuss progress relating to PFI Expiry and raise/escalate any PFI related concerns. A dedicated PFI Expiry email address is also in place to support PFI Expiry communications.

- 2.3. In accordance with the National Infrastructure and Service Transformation Authority (NISTA) (formerly IPA) guidelines, specific delivery workstream have been identified and established to provide auxiliary support the project team. Each workstream has an appointed workstream lead responsible for delivering specific aspects relating to their respective workstream, the workstreams are:

- HR
- Legal
- Finance
- Capital Delivery /Property
- Asset management
- School Resourcing
- Existing Services (BAU)
- Communications

- 2.4. The project board (comprising of all workstream leads) meets monthly and will feed into the Finance Performance Committee via the Asset Management Board. Please note: for schools PFI Expiry phases, the project Education lead, Mark Sheikh and deputy Jim Watkin are responsible for ensuring that updates to the Education Funding Forum are maintained.

- 2.5. Regular keep in touch meetings with workstream leads are established (at least monthly) to ensure workstream actions remain on track and deliverable. The project also meets with MiTIE and SPV on a fortnightly basis and National Infrastructure and Service Transformation Authority (NISTA) and the Department for Education (DfE) colleagues monthly.

3. Recommendations

Forum members are asked to:

- Note the information provided above.