

Board of Directors

Subject:	Annual PFI Payment - Purchase Order	Date: 26 th April 2018		
Prepared By:	Ben Widdowson, Head of Estates and Facilities			
Approved By:	Peter Wozencroft, Director of Strategic Planning and Commercial Development			
Presented By:	Peter Wozencroft, Director of Strategic Planning and Commercial Development			
Purpose				
Approval of an annual purchase order for the PFI payments for the period 1 st April 2018 to 31 st March 2019.			Approval	✓
			Assurance	
			Update	
			Consider	
Strategic Objectives				
To provide outstanding care to our patients	To support each other to do a great job	To inspire excellence	To get the most from our resources	To play a leading role in transforming health and care services
			✓	
Overall Level of Assurance				
	Significant	Sufficient	Limited	None
		✓		
Risks/Issues				
Financial	None			
Patient Impact	None			
Staff Impact	None			
Services	None			
Reputational	None			
Committees/groups where this item has been presented before				
Finance Committee – 24 th April 2018				
Executive Summary				
<p>The Trust PFI contract, which commenced in October 2005, runs to March 2043. The MAS scheme unitary charge payments associated with this contract can vary year on year, depending on whether there have been any contract variations, under/over performance against the contract and is it is also subject to an annual inflationary uplift based on RPI.</p> <p>The Trust is committed to making totalling payments forecast at £57m (excluding VAT) in 2018/19, relating to the unitary charge, variations and pass through costs. This includes MCH costs which are paid by SFH and then recharged onto NHS Property Services.</p> <p>It is intended to raise a purchase order for the PFI costs for 2018/19 and annually until the expiry of the contract. Under the Trust's SFI's a PO of this value requires Board of Directors for approval. The PO will however require monthly verification and approval by the Director of Strategic Planning and Commercial Development prior to any monthly payment. A purchase order will facilitate processing, receipting and recharging of the PFI costs.</p> <p>Board members are requested to:</p> <ul style="list-style-type: none"> Approve the raising of an annual purchase order for the PFI as outlined above. 				