

ADVISORY

PFI CONTRACT MANAGEMENT

PETERBOROUGH CITY COUNCIL AND CAMBRIDGESHIRE COUNTY COUNCIL





ADVISORY OVERVIEW

Private Finance Initiatives (PFIs) consist of complex Contracts, sub-contracts and schedules that affect several Parties. Correspondingly, the successful management of the Contracts and Project Agreements is reliant on competent understandings of all their elements in addition to managing expectations of affected stakeholders, end-users and Contractual Parties through informed, justified, and fair decisions and actions.

“ Effective strategic and day-to-day management support on PFI contracts offer savings to both the local authority and end user, making the building safe, clean and efficient whilst maintaining excellent standards through the lifecycle. We ensure that KPI’s are met, savings are secured that aren’t detrimental to the contract, and opportunities for improvements are explored. With Peterborough City Council and Cambridgeshire County Council, we offer a package that involves building relationships with the end user, strategic support for the local authority, and working closely with the SPV to hold the contractor accountable. ”

RACHEL FLOYD
ASSOCIATE MANAGING CONSULTANT



PROJECT

Norse Consulting (Advisory) manages School PFI Contracts at four sites; three for Peterborough City Council and one for Cambridgeshire County Council. The success of Norse Consulting's PFI Contract Management has been achieved through, in summary, our competencies in:

- An effective approach to stakeholder engagement of parties to the Contract
- Management of estates and assets subject to lifecycle and reactive works
- Proactive response to isolated issues and associated resolution management
- Analysis and due diligence of major contract variations
- Proactive management and prioritisation of Local Authority allocated capital budgets and Unitary Charge allocations

This expertise and ability to draw on wider specialist support within our group makes Norse Consulting well-placed to support our clients and their school PFI Contracts, particularly given some of the challenges do extend the boundaries of the usual scope of service, for example:

- Estate and asset management
- Academy conversions
- Hard FM management
- Decarbonisation and Net Zero strategies/plans
- Planning applications
- Capital budgeting
- Building compliance (fire risk assessments and H&S)

The Councils have benefitted from significant financial savings, seamless functionality and operations of the schools, and additional added value from the Norse Consulting's wider services.

Norse Consulting have identified ways to save money within existing PFI contracts and improve operational efficiencies.

- Support Peterborough City Council in managing Hard FM providers to maintain the Local Authority's retained estate within the contract, previously maintained by the PFI Contractor. In the last 12 months, it is estimated to have saved the Local Authority more than £90,000.
- Further contract savings for the Authorities under the terms of the PFI contracts through scrutiny of insurance cost sharing and benchmarking. In the past 12 months, this stands at more than £250,000.
- Added value through adhoc specialist support resourced from the wider, for example, planning applications, design, energy and decarbonisation surveys, academy conversions, compliance, and contract variations.

The Cambridgeshire County Council and the Peterborough City Council have benefitted from the involvement of Norse Consulting in the management of its respective schools PFI contracts. The contracts have been managed more actively than under the previous arrangements that were in place and has meant that significant financial benefits have been secured from the most recent benchmarking exercise for FM services and the negotiation of the annual insurance rebate. I am looking to extend the appointment of Norse Consulting at the end of the current contract term

Ian Trafford

Strategic Education Capital Programme Manager,
Cambridgeshire County Council



PROJECT



In the last 12 months, Norse Consulting has helped the client achieve the best value with significant savings, totalling circa £340,000. The savings have been reached by applying the contract commercial model and improving the operational efficiency of processes.

Norse Consulting's wider skills and services have supported the schools and LA's to deliver academisation, achieve optimum use of assets through land development feasibility and option appraisals, source best rates through utility procurement, inform roadmap

to net zero ambitions including decarbonisation of the estate, and achieve building safety, and compliance. Norse Consulting supports many Local Authority schools across all its service streams.

Management of School PFI Contracts is a speciality synonymous with our values to promote People and Communities. Norse Consulting's effective approach to the management of Contract processes, previously outlined, has empowered direct and indirect stakeholders. People and communities that the schools serve have benefitted from our involvement in the PFIs through seamless and efficient operations.

We have proactively dealt with challenges and delivered appropriate and timely resolutions whilst meeting our client's objectives and delivering significant financial savings. All of this means the buildings complement day-to-day activities at each of the schools and allow them to focus on providing excellent education to the people and communities they serve.



CONTACT US

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