



HM TREASURY

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24 July 2013

Kenneth Priestley

Information Rights Unit

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Ref: 13/656
Mincom: EMAIL /15236/2013

Dear Mr Priestley,

FREEDOM OF INFORMATION ACT 2000: PRIVATE FINANCE INITIATIVE

Thank you for your Freedom of Information enquiry of 26 June.

You asked for the following information –

"I would like all information regarding PFI (private funded investments).

Which councils have PFI.

What assets did they replace.

Which of the replaced assets were sold.

Were any government employees involved with the PFI companies or financing the PFI companies, directly or indirectly.

Did a long term costing of such exercises take place and at the end of these PFI contracts what happens ?.

Were any government employees involved with investments or companies that purchased the replaced assets."

You asked for information covering the PFI (private funded investments). In our response we have assumed that you meant the Private Finance Initiative (PFI).

I can confirm that, after a search of our records, HM Treasury does hold some information in scope of that request.

Which councils have PFI?

HM Treasury collects data on PFI projects once a year from central government departments that sponsor or procure the projects. The latest data for signed projects as at 31 March 2012 can be found at this link: <https://www.gov.uk/government/publications/pfi-projects-data>. It will be updated for signed projects as at 31 March 2013, shortly.

What assets did they replace?

We do not hold this information.

Which of the replaced assets were sold?

We do not hold this information.

Were any government employees involved with the PFI companies or financing the PFI companies, directly or indirectly?

We have interpreted the word "involved" by describing the process of how a public sector procuring authority project team will interface directly with the private sector as part of the competition process to select the project company. The obligation to raise finance for PFI projects is the responsibility of the project company set up by a consortium of contractors and investors to design, build, finance and operate the asset. In most cases the public sector project team will have transparency over the debt funding arrangements undertaken by the private sector. HM Treasury's Infrastructure Finance Unit was involved directly in the debt financing of the Greater Manchester Waste project.

If you would like us to answer the question more specifically, please can you clarify what you mean by "involved" in order to narrow the scope of the request and we will consider if this is possible to answer it within cost grounds¹.

Were any government employees involved with investments or companies that purchased the replaced assets?

We have interpreted the word "involved" by describing that the public sector has been an equity co-investor in some projects, notably under the Building Schools for the Future programme. Where the public sector is also an investor, it will have director representation on the project board of the company.

If you would like us to answer the question more specifically, please can you clarify what you mean by "involved" in order to narrow the scope of the request and we will consider if this is possible to answer it within cost grounds.

Did a long term costing of such exercises take place and at the end of these PFI contracts what happens?

Generally, procuring authorities will need to prepare a business case for the project before the procurement process starts. This must take into account, amongst other things, value for money and affordability. The arrangements at the end of PFI contracts (when they expire) vary, but in most sectors the assets will return to the public sector.

If you would like us to answer the question more specifically, then we would be grateful if you could narrow the projects in scope. If you have any queries about this letter, please contact me. It will be helpful if you quote the reference number above in any future communications.

Information Rights Unit

¹ Under section 12 of the Freedom of Information Act, departments are not obliged to comply with requests where the cost of locating retrieving and extracting the relevant information would exceed the statutory limit of £600, or three and a half working days.

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If you are not happy with this reply, you may request a review by writing to HM Treasury, Information Rights Unit, 2/W1, 1 Horse Guards Road, London SW1A 2HQ.
Email FOI.responses@hmtreasury.gsi.gov.uk

Any review request must be made within 2 months of the date of this letter.

It would assist our review if you set out which aspects of the reply concern you and why you are dissatisfied.

If you are not content with the outcome of your complaint, you may apply directly to the Information Commissioner for a decision. Generally, the ICO cannot make a decision unless you have exhausted the complaints procedure provided by HM Treasury. The Information Commissioner can be contacted at: The Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire SK9 5AF.

