

Building Schools for the Future

October 2004

Agenda

- BSF recap - and implications for delivery
- Introduction to PfS
- National programme management and achieving efficiencies
- Delivery model
- How can you be involved

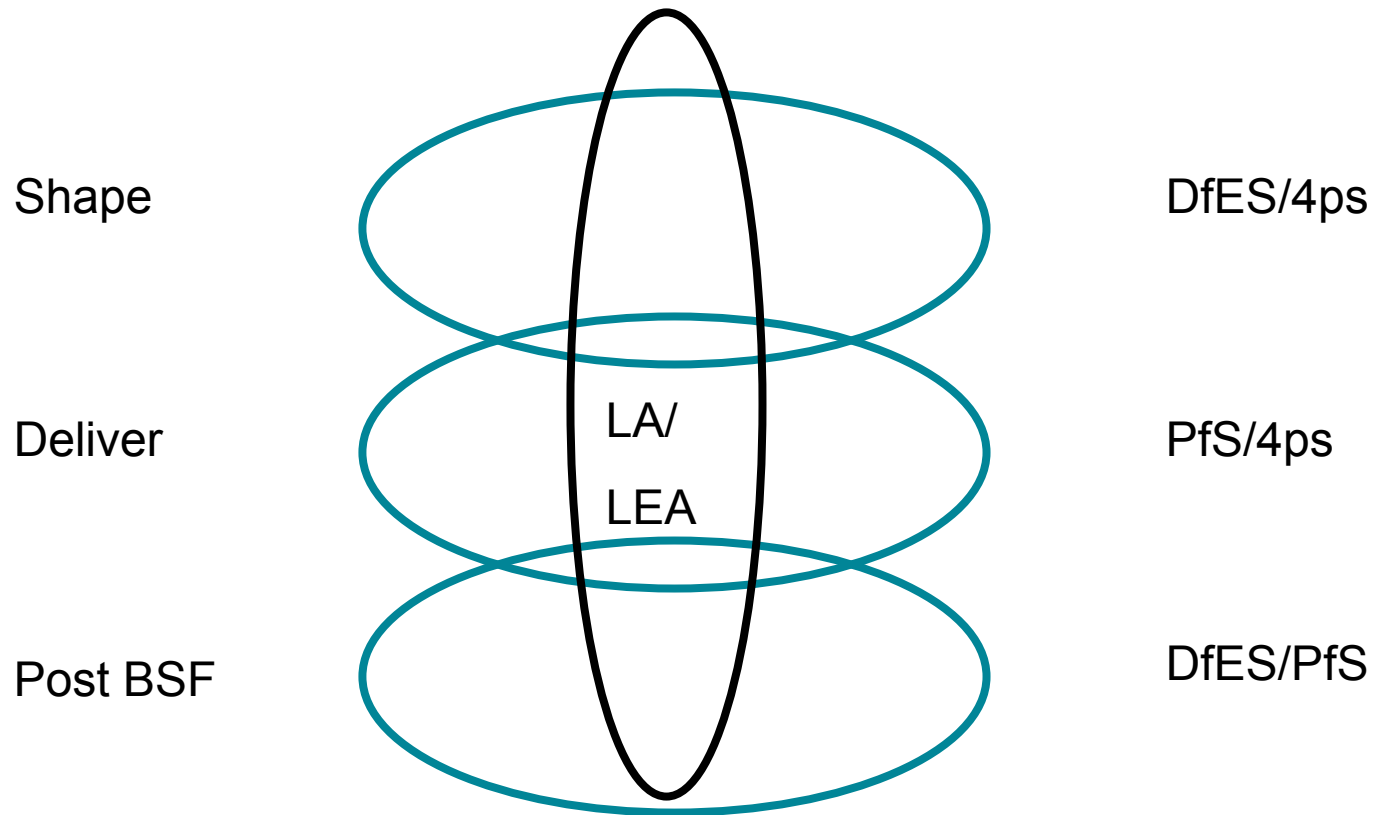
BSF Recap...

- Recap BSF objectives:
 - strategic national investment programme with 15 year horizon
 - £2.2bn of investment in 2005-06, sustained subject to future public spending decisions
 - all secondary schools to 21st century standards
 - enable maximum impact on educational achievement

BSF Recap...

- This translates to:
 - Strategic local investment programmes, long term, large in scale
 - Complex range of services and types of contracts (PFI, design & build, lifecycle maintenance, ICT)
 - Need to bring together the resources and capacities of public and private sectors with a focus on educational outcomes
 - Traditional forms of contract and procurement unlikely to deliver on this scale and scope
 - Hence PfS and a new local delivery LEP model

BSF – The Programme



Partnerships for Schools

- A newly formed Non-Departmental Public Body (NDPB)
- Joint venture between DfES and PUK, with active 4ps involvement
- DfES own policy, prioritisation and funding
- PUK role to bring commercial and delivery expertise at Board and team levels
- PfS is a national delivery vehicle for BSF
 - National programme management and efficiencies
 - Knowledge management
 - Support local educational vision and strategy
 - Delivery model, with standard procurement and contractual documentation
 - Team to provide local Programme support

National programme management

- Supporting DfES, with
 - Planning roll out of national programme, across c3500 schools
 - Managing allocations of funding
 - Planning timetable of prioritisation, procurement, construction and delivery
- To achieve optimum value and impact from strategic programme
- Balance needs based prioritisation with deliverability and capacity

Prioritisation Criteria

- Education and area need (defined as GCSE grade A-C at '0' level and free school meals take-up)
- Cost of the Programme
- Commercial capacity – LEP viability
- Number of projects – 1 in first 3 waves (less small Pfdr)
- Large authority
- Market Capacity
- Future reserves

Realising potential efficiencies

- Procurement and contract standardisation
- Removal of repeated bidding (for public and private)
- Estate rationalisation
- Construction efficiencies, through strategic partnering driving economies of scale from long term volume
- Off-site and modular construction
- Lifecycle and FM efficiencies

Delivery model

- Informal consultation on a delivery model for BSF since autumn 2003 – the Local Education Partnership JV
- Started with basic structure of the joint venture model and outlined areas that required further work
- More detailed analysis conducted November – March
- Workshops and consultative meetings with a large cross-section of stakeholders – both private and public sectors
- Comprehensive LEP papers in March released for further feedback from much wider community of stakeholders

Core principles of LEP Model

- Strategic partnerships between LA and local JV
- Long term partnering opportunity for private sector
- Local JV majority owned and controlled by PSP with minority LA and PfS stakes
- Flexible to
 - Risks passed down to SPV's, or retained at LEP
 - Different classes of share to reflect (e.g.) appetite for project equity
 - Different project procurements (standard PFI or conventional)
- LA counterparty to all contracts

Where we are now

- Programme
 - Bradford and Bristol
- Future Waves
- Supply Chain
 - Events
 - Forum (CPA)
 - Briefings
- Engagement
 - CPA
 - Construction in Excellence
 - OGC

How can you get involved

- Consultation involving construction bodies will be taking place
- Supply chain integration with PSP
- Identify and work with PSP to deliver modular and off site solutions
- Use of materials within products

Questions ?