

By: Grahame Ward – Director – Capital Programme & Infrastructure
Sarah Hohler, Cabinet Member for Children, Families & Education Directorate

To: Children, Families and Education Resources & Infrastructure Policy Overview and Scrutiny Committee

19 November 2009

Subject: Building Schools for the Future [BSF]

Classification: Unrestricted

Report Type: Monitoring

Summary: This information paper provides an update on the Authority's current progress with its BSF Programme.

Introduction

1. (1) BSF is a large-scale, national Capital Investment Programme to deliver new and improved physical and virtual learning environments for all schools teaching secondary age pupils [including special schools and pupil referral units]. The programme is envisaged to last 15 years. No funding is available for non-educational facilities.

(2) The overall BSF Programme is constructed on the basis that each transaction within it [group of schools] could involve the following split of investment:

- 50% new build
- 35% refurbishment
- 15% minor re-modelling

Kent began its engagement in the national programme in September 2005 and has made rapid progress since. Our estimated overall Capital allocation, provided the Programme lasts to the end, is some £1.8 billion.

Local Education Partnership [LEP1]

2. (1) The contract for the creation of our first Local Education Partnership [LEP1]¹ with Land Securities Trillium, Northgate Information Systems and BSF investments was signed on 24 October 2008.

¹ A LEP is a joint venture company that combines public and private finance. 80% of the shares are taken by the private sector partner(s), with the remaining 20% split equally between the local authority and PfS (BSF investments).

(2) Following the acquisition of Trillium by Telereal [a significant privately owned company] at the beginning of the year, Trillium/Telereal announced that it would be refocusing its business and that it would no longer be bidding for PFI contracts. As a result of this change in focus, Telereal/Trillium has subsequently withdrawn from actively bidding for new BSF projects.

(3) Discussions were held with all parties, including PfS as to how the impact of this changed circumstance could be minimised. The eventual result was that on 10 September a share transfer was completed between Telereal/Trillium and Kier Group.

(4) The LEP is responsible for all of the schools within Waves 3, 4 and 6. Appendix 1 shows the schools and the Waves that they are in.

Wave 3

3. (1) All of the 10 schemes that are being built/refurbished as part of the Wave are progressing well and we have taken possession of a number of new facilities. As one would expect on a programme of this size, we have encountered a number of challenges along the way, but all have either been addressed or are being addressed.

(2) As Members are probably aware that in addition to the challenge of replacing the LEP partner, we also had to deal with William Verry going into administration. The latter issue had more direct impact upon the schools involved in Wave 3 as the work at both King Ethelbert and Charles Dickens were being delivered by William Verry.

(3) The LEP with our involvement were able to find a replacement contractor and Leadbitter took over with the work being undertaken by Denne Construction a Kent based contractor.

Wave 4

4. (1) Cabinet received a 'green paper' report on 13 July 2009 in respect of Wave 4 and they agreed to us submitting the Wave 4 Outline Business Case (OBC) to the DCSF and PfS and the issuing to the LEP the schemes to be developed via the New Projects Development and Approval Process.

(2) We have issued formal 'Invitation to Submit Outline Proposals' to the LEP for their consideration and confirmation that they wish to proceed with the schemes within the parameters provided. This is stage zero of the New Projects Development and Approvals process. Appendix 2 outlines the stages involved.

Wave 6

5. (1) Discussions are due to start shortly with PfS about us formally entering the Wave 6 Programme.

Local Education Partnership2 [LEP2]

6. (1) The original intention was that we would divide the county into three LEP areas. However, in light of our experience and cost incurred in delivering our first LEP, together with the changes made nationally to future Waves, it has been decided that it

makes more sense for us to go to the market only once and hence the Local Education Partnership2 will cover the rest of the county.

(2) Nationally, PfS are trying to encourage authorities to join together for procurement purposes and as a result we are having informal discussions with a number of other authorities who might be interested in us procuring on their behalf.

(3) We are holding a 'Bidder Day' for perspective LEP partners on 26 November in advance of formally going to the market.

(4) Based upon a January 2010 OJEU notice, we would hope to reach financial close, and the LEP2 established by September 2011.

Recommendation

Members of the Resources and Infrastructure Policy Overview and Scrutiny Committee are asked to note the progress of the BSF programme in Kent.

Grahame Ward

Director – Capital Programme & Infrastructure

Tel: (01622) 696551

Grahame.ward@kent.gov.uk

Background Documents: None

Other Useful Information: None

BSF SCHOOLS – LEP 1

Wave 3 BSF Schools

- Charles Dickens School, Broadstairs
- Community College Whitstable, Whitstable
- Dane Court Grammar School, Broadstairs
- Herne Bay High School, Herne Bay
- Ifield School, Gravesend [the School was rebuilt as part of Kent's Special School Review, but is funded by BSF and is receiving the ICT Managed Service provided by KLEP1]
- King Ethelbert School, Birchington
- Northfleet School for Girls, Gravesend
- Northfleet Technology College, Gravesend
- St George's CE Foundation School, Broadstairs
- St John's Catholic Comprehensive School, Gravesend
- Thamesview School, Gravesend

Wave 4 BSF Schools

- Clarendon House Grammar School, Ramsgate
- Chatham House Grammar School, Ramsgate
- [The] Foreland Special School, Broadstairs
- Gravesend Grammar School, Gravesend
- Gravesend Grammar School for Girls, Gravesend
- Hartsdown Technology College, Margate
- [The] Hereson School, Broadstairs
- Laleham Gap School, Margate
- Meopham School, Gravesend
- Northwood Centre, Ramsgate
- Sheppey Academy, Minster-on-Sea
- St Anthony's School, Margate
- St George's CE School, Gravesend
- Stone Bay School, Broadstairs
- Ursuline College, Westgate-on-Sea

Wave 6 BSF Schools

- Abbey School, Faversham
- Borden Grammar School, Sittingbourne
- Challenger Centre (PRU), Sittingbourne
- Fulston Manor School, Sittingbourne
- Grosvenor House, Herne Bay
- Highsted Grammar School, Sittingbourne
- Queen Elizabeth's Grammar School, Faversham
- Sittingbourne Community College, Sittingbourne
- [The] Westlands School, Sittingbourne
- Sheppey Academy

LEP New Projects Development and Approvals Process	
Stage	Outcomes / Deliverables
Stage 0 – Invitation to Submit Outline Proposals	<p>KCC issues formal “Invitation to Submit Outline Proposals” for all projects in the wave.</p> <p>KCC invitation proposes budget, financing route and other basic parameters, e.g. site.</p> <p>LEP has 20 business days to confirm that they can undertake the project within the parameters provided.</p>
Stage 1 – Concept design	<p>LEP develops designs for all projects in wave to RIBA stage C.</p> <p>LEP develops costing for all designs.</p> <p>KCC + Governing Bodies approve designs and costs.</p> <p>OBC is submitted to PfS / DCSF for approval. (by undertaking this activity early KCC has been able to shorten the NPAP process)</p>
Stage 2A – Detailed Design and Planning	<p>LEP continues to develop designs for all projects up to stage D/E with a view to submitting formal detailed planning application.</p> <p>LEP continues to develop costs for all designs.</p> <p>KCC + Governing Bodies approve designs and costs.</p> <p>LEP submits applications for detailed planning.</p>
Stage 2B – Final Business Case and Contract Close	<p>LEP continues to develop designs for all projects.</p> <p>Planning Consent obtained.</p> <p>KCC & Governing Bodies enter into Governing Body Agreement.</p> <p>KCC enters into D&B / PFI contracts with the LEP to deliver W4 schemes.</p>