

**REPORT TO:** Children, Young People and Families Policy and Performance Board

**DATE:** 6 September 2010

**REPORTING OFFICER:** Strategic Director – Children and Young People

**SUBJECT:** Building Schools for the Future Update

## **1.0 PURPOSE OF THE REPORT**

1.1 The purpose of this report is to provide Board members with an update on the BSF Programme.

## **2.0 RECOMMENDATION: That**

- (1) the report be noted; and**
- (2) a further report be presented to the Board on the school capital once the outcome of the James review has been completed.**

## **3.0 COMPETITIVE DIALOGUE**

3.1 The second round of the Competitive Dialogue process commenced on 23<sup>rd</sup> February 2010 and formal meetings were completed on 30<sup>th</sup> April 2010. A number of additional meetings were then held with each bidder to resolve additional issues.

3.2 Close of Dialogue was achieved on Friday, 11<sup>th</sup> June 2010. This was achieved by ensuring that enough documentation had been reviewed by the Local Authorities, Advisors and Partnership for Schools to ensure that all Legal, Financial and Commercial issues had been agreed.

3.3 In addition, each of the four designs produced by the bidders for the sample schools were formally assessed by the Commission for Architecture and the Built Environment (CABE) in London on 27<sup>th</sup> May 2010. The comments made by CABE at this meeting were of such a nature that both the Local Authority and Partnership for Schools felt that at the next review each design would achieve an overall pass.

## **4.0 FINAL BIDDERS PRESENTATION**

4.1 The final bidders presentations were held in the Stobart Stadium on 10<sup>th</sup> May 2010. These presentations were well attended and allowed the bidders to share their design and ideas with the wider team.

## **5.0 FINAL BID SUBMISSIONS**

- 5.1 Final bid submissions were then received from the bidders on Monday, 14<sup>th</sup> June 2010 at 9.00am. They have now been evaluated. However, a decision has been made not to recommend the Select Bidder based on Legal Advice received following the Secretary of State's announcement to cease the BSF Programme. Further Legal advice will be required following the announcement of the outcome of the review of the sample/Academy schools.

## **6.0 BSF ANNOUNCEMENT – 5<sup>TH</sup> JULY 2010**

- 6.1 On 5<sup>th</sup> July 2010 the Secretary of State announced the end of the BSF Programme with immediate effect. All Local Authorities currently within the Programme were then put into one of the three categories below:

- If the BSF Scheme had reached Financial Close it could continue as planned;
- If the BSF Scheme had reached Close of Dialogue the sample schools would be reviewed would be undertaken to determine whether they could proceed; and
- If the BSF Programme had not reached Close of Dialogue all projects would stop.

- 6.2 The Halton and Warrington BSF Programme is one of the 13 Authorities that fell into category 2. Therefore, the two sample schools projects are under review.

- 6.3 The only exception to the above appears to be the Academies, which are being reviewed on a case by case basis alongside the sample schools.

- 6.3 All other school investment will be considered as part of the current capital review. This is known as "The James Review ". This review is being undertaken with the overall aim of ensuring that future capital investment represents good value for money and strongly supports the Government's ambitions to reduce the deficit, raise standards and tackle disadvantage. Appendix 1 provides the details of the terms and reference of this review.

## **7.0 PROGRESS TO DATE**

- 7.1 Since 5<sup>th</sup> July 2010 the following work has been completed:

- A letter has been sent to Michael Gove on BSF Programme and sample schools.
- All key stakeholders have been informed that the Programme has now ceased.

- With the exception of Legal Consultancy all other external consultants have been issued with their termination notice.
- The Academy sponsors have completed their proforma. This was submitted to the DFE on 16<sup>th</sup> July 2010.
- The two sample schools proformas have been completed and submitted on 19<sup>th</sup> July 2010.
- The BSF team have been in contact with the other 12 Authorities who have sample schools under review.
- Additional condition survey information has been provided for the sample schools only.
- PFS have taken photographs of the condition of the sample schools only.
- The team have submitted a questionnaire and case study to BCSE.

7.2 A decision on the outcome of the review of the two sample schools was made on 6<sup>th</sup> August 2010, and the capital funding for both sample schools has now been approved. Partnerships for Schools have verbally confirmed we will receive the full original allocation. Capital funding for the proposed Academy has not been approved at this stage.

## **8.0 OTHER IMPLICATIONS**

8.1 No school projects have been approved for Warrington Borough Council. Warrington staff have now left the BSF team and the joint working has now ceased.

8.2 All external contractors have been served their notice with the exception of the Legal Consultants who will still be required to provide support on the implications of the programme ceasing. Advice is being taken to identify whether the authority may be liable for any additional consultancy costs.

8.3 The re-organisation secondary school and special schools was undertaken on the basis that there would be capital investment in schools. The loss of the BSF Programme will have a significant impact on the authorities ability to complete the secondary re-organisation and co-locate two of its special schools.

8.4 Many of the secondary schools have urgent condition and suitability issues

## **9.0 RISK ANALYSIS**

9.1 Without additional capital funding the school organisation process for secondary schools may not be possible to implement. To date it is estimated that the authority have expended £3.1 million on BSF, although notice has been served on the external consultants the authority may be liable to additional costs.

## **10.0 EQUALITY AND DIVERSITY ISSUES**

10.1 The BSF Programme would have provided greater choice and diversity for parents. In addition, it would have improved the accessibility of the secondary and secondary special provision within the Borough. Until the future capital allocation is known the authority cannot plan how to effectively improve choice and access for parents.

## **11.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

<b>Document</b>	<b>Place of Inspection</b>	<b>Contact Officer</b>
Secretary of State Letter on BSF 5 <sup>th</sup> July 2010	1 <sup>st</sup> Floor Eccleston – Grosvenor House	Ann McIntyre