

Building Schools for the Future

Outline Business Case



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1 EXECUTIVE SUMMARY

1.1 Background

Halton is a place on the move. Our 'can do, does do' approach is delivering real benefits and new opportunities for people who live and work here. Our population is starting to grow after years of decline, crime is falling, our children are leaving school with better qualifications, employment prospects are broadening and ambitious regeneration projects are changing the physical environment.

We know from our sophisticated intelligence that there are areas of Halton where poor health outcomes, low employment levels, low skills and environmental issues combine to create inequalities across the Borough that will require concerted and long term effort. To improve the quality of life in the Borough and reduce the gap between the worst off and the rest, we must recognise and deal with the interplay between all of these factors. We are proud of what we have achieved so far but also recognise that there are some really difficult issues we need to tackle.

We see the Building Schools for the Future (BSF) programme as a key tool to accelerate this progress by providing the opportunity for Halton to develop 21st century facilities and enable world-class standards and services for children and their families to be delivered. This specifically supports those families in the most deprived areas facing the most challenging circumstances. Halton Borough Council has been tasked with the lead responsibility to develop the strategy with partners and to act as a commissioner of local services that both reflects the needs and develops the aspirations of the local community and contribute to the national and local priorities for Halton. This is a challenging role and will require a comprehensive evaluation and re-alignment of our school estate to ensure that investment is targeted to areas where it will have the greatest impact.

In recent years there has been significant progress in secondary school performance; the investment BSF Capital will deliver, will enable further change and help Halton to take a further step change towards engaging with the whole community. The Programme will combine capital investment and the use of innovative emerging technology to enable a personalised route for all, as well as developing best practice in terms of partnership working to deliver world-class services particularly to achieve a narrowing of the gap for children from disadvantaged families.

This strategy is a long-term plan for educational transformation. It is not simply about replacing old and worn out buildings with new and carrying on as before. The strategy sets out new models of school organisation and governance and new ways of working in well designed, sustainable and inspiring buildings which will pave the way for new and better ways for children to learn and teachers to teach. It will link the investment to the realisation of our important local priorities: closing the gap in attainment levels between the highest and lowest achieving schools in the Borough and aligning the supply of school places with demand. In so doing it will help us to improve the lives of children and families for many years to come. We have identified the key strategic areas where we wish to make an impact on outcomes for children and families. These strategies are consistent with strategies identified in Strategy for Change (SfC) Part 1, 2 and the individual School Strategies submitted as appendices with the SfC 2.

The Strategy for Change (SfC) Part 1 was issued to the DCSF on 7 July 2008 and was conditionally approved on 7th August 2008 and formally approved on 13th January 2009. The SfC Part 2 was issued to the DCSF on 19th November 2008 and was conditionally approved on 13th January 2009. DCSF outlined areas for further improvement in their SfC2 approval letter.

Appendix 20 clarifies where in the OBC we have responded to the issues raised. Formal approval from the DCSF was subsequently send on 23rd March 2009.

We can confirm that there has been no change to corporate, educational or estates strategy since the approval of the Strategy for Change (SfC), and no change to the context or background of the programme.

1.2 The Programme

The BSF Programme funding envelope comprises £**m. The formula funding confirmed to Halton by PfS came to £** Million (including capex and ICT). An additional sum of £** million is to be provided as part of the Primary Capital Programme.

An additional £* million of identified abnormals has been submitted to PfS for which we await approval.

The Authority intends to sell a number of sites which have been given an indicative value in the region of £*m. The proceeds of the sale will assist funding of the proposed works.

The options for each school were developed within the overall funding envelope based upon the needs and requirements of the strategies. Halton believe, as discussed with schools, that the preferred options (and associated costs as advised by the councils Technical Advisor) reflect the optimum balance between the funding available and meeting the Authority's education vision as well as the schools individual visions. The BSF investment will help schools to achieve this by:

- XXX
- XX

A spreadsheet detailing the allocation of funds for each school from PfS is included in **Appendix 6**. We envisage three phases for the Halton scheme and we will integrate Warrington's first wave of investment into these three phases with a final 4th phase of work being added once Warrington's second wave funding has been secured this is set out in a table in **Appendix 13**. The preferred options for all schools included in **Appendix 1A** represent the schemes that are to be put to the market and have been designed within the funding allocation. The costs are summarised as shown in Table *. The following paragraphs set out the basis of the Halton & Warrington's Local Education Partnership (LEP), the sample schemes being used to procure the LEP and the management arrangements for the Information Communication and Technology (ICT) and Facility Management (FM) contracts.

Halton will be putting two sample schemes to the market. The new build sample is at The Grange School, which will be one of the sites hosting a Day Care Unit, Nursery, Primary and Secondary School and Resource Units. The Design & Build (D&B) refurbishment/re-modelling project for Wade Deacon High School with a Resource Unit included. Halton has undertaken extensive market testing as evidenced in **Appendix 31** and we understand our project is potentially very attractive to the market place. Our European procurement offering is to be based on the PFS standard LEP model approach, for a range of partnering services to include:

- Exclusivity for a LEP partner to deliver partnering services for a strategic investment programme under a 10 year contract for the delivery of education facilities;
- A Private Finance Initiative (PFI) new build sample project for The Grange School
- A Design & Build (D&B) refurbishment/re-modelling project for Wade Deacon High school
- An ICT Managed Services contract to include those services covered by the ICT Output Specification
 - Insert headline of Spec
- The PFI contracts will adopt the traditional PFI approach to FM and Lifecycle with all Hard and Soft FM services and lifecycle costs being the responsibility of the, with the exception of catering.
- Halton intends to avoid a "two tier" approach to FM Services and Lifecycle for PFI and D&B schools, however it is acknowledged that this provides some considerable challenges in terms of affordability. The approach therefore has been for individual schools to continue to be responsible for 'Soft FM' services within their schools, and for the LEP to be responsible for the management of Hard FM and Lifecycle within the given affordability constraints. The D & B Contracts will provide a full Hard FM service including life cycle. Schools will retain the ability to procure all other soft services through a direct arrangement. Similar to the ICT contact there will be an amount of local choice regarding day to day repairs and maintenance but within specific parameters set out in the contract arrangements.
- There will be an option for D&B schools to buy into the LEPs "soft" FM services
- The opportunity to deliver education facilities on a non-exclusive basis outside the scope of the main BSF funded programme (including, but not restricted to, the primary capital programme)

- The OJEU also considers wider scope of service that the LEP can deliver into the future, **Appendix 10**.

1.3 Value for Money

Our approach to Value for Money is based on the HM Treasury quantitative and qualitative protocols and for Halton, demonstrates PFI as the optimal procurement route for the new build projects.

The HM Treasury VFM guidance is not required for the anticipated D&B contracts. Here, VFM is to be assessed in the context of both the scheme cost and the procurement route, so that the target price and guaranteed maximum price submitted by the LEP bidder can be confirmed for the Final Business Case (FBC).

1.4 Affordability

Halton's Section 151 Officer confirms the programme is affordable at OBC stage and School Governing Body financial commitments for the whole schemes are included at **Appendix 9**.

For the PFI element the Council have adopted both a prudent view of construction costs and long term interest rates. This is reflected in the proposed revenue stream contributions which are to be funded from a combination of the central Dedicated Schools Grant (DSG) and BSF School budgets and pinpoint investment of capital receipts.

Halton have taken an equally prudent approach to the D&B schools. Allowing for construction cost increases and adopting a xx% contingency overall, Halton predicts a capital funding gap of £xxxm. This is to be funded by the Council's retained share of capital receipts (£xxm) with the balance coming from schools Devolved Formula Capital (DFC), central Dedicated Schools Grant (DSG) and BSF School budgets.

Halton has agreed with D & B school a contribution of £xxm to be funded the schools revenue budgets to fund Hard FM and lifecycle maintenance for their buildings.

Analysis by the Authority's financial advisors has concluded that the BSF programme is affordable to the Council on the basis that:

- Support for the BSF programme (before indexation and location factor) is £*** million
- Support will be uplifted for relevant indexation for each individual school to the date of start on site from the reconciliation date.
- Appropriate school per pupil contributions have been secured for the ICT Managed Service Contract this has been proved via the affordability modelling included in **Appendix 7A**.
- Support for the BSF programme through the Primary Capital Value of £*** million
- Halton is proposing to fund the LEP set up costs but is not seeking direct investment in the PFI Company.
- XXXX

1.5 Readiness to Deliver

Halton has a very strong organisation structure to procure BSF and was structured with advice from 4ps. Halton uses a dispersed organisation model using a core team with support from the supplementary disciplines. A strong internal resource is supplemented by external advisers currently very active in the BSF national programme, including:

- Beechcroft (Legal)
- Grant Thornton (Financial)
- Mouchel (Education)
- Navigant (ICT)
- Currie and Brown (Technical, Design & FM)

Internally, the core team includes PRINCE 2 accredited Project Managers, and a wealth of previous experience in delivering BSF and complex PFI schemes. A revenue budget in excess of £% of the capex of the scheme has been allocated to achieve Financial Close and we are currently consulting with 4ps, BSFi and PFS to determine optimal resourcing structures for the LEP operational phase.

Our Readiness to Deliver has been tested through the 4ps Gateway Review process and the action plan from the recent Gateway 1 review is included at **Appendix 32**. Our procurement milestone plan has been shared with potential bidders so that Halton and Warrington are comfortable that the timescales are achievable. Our BSF proposition for a LEP partner is fundamentally standard, with no other projects required, and therefore both sides will be able to rely on the adequacy of the standard commercial documentation. Our pro-active approach to detail planning briefs, will ensure planning issues have been de-risked so far as is reasonably possible before going to the market.

The Halton team have taken advantage of the relevant 4ps training modules for BSF and will continue to do so with the following training on competitive dialogue and PFI negotiation training planned for the Summer 2009 and our strong governance arrangements (Strategic Board, Programme Board, Cross Party Working Group, Secondary and Secondary Special Headteachers and Chairs of Governors) will play an increasingly important role in guiding the core team through the procurement phase.

Above all, our stakeholder engagement plans remain crucial in underpinning a successful procurement, and are pivotal to our overall communications plan. These include for example, full and regular dialogue with our Schools, Diocesan bodies, local residents, Trade Unions and Sport England.

1.6 Leading and Managing Change

Halton recognises that change management is the vital ingredient in ensuring transformation takes place with facilities and ICT investment the strong enablers that will help improve the outcomes of generations of young people and their families in Halton.

As the strategies have been developed through the pre-procurement phase by all the stakeholders it is essential that these form the guiding blue prints for transformation for the sample scheme design development.

Moving forward, the Council expects bidders and our eventual LEP partner to help us translate the transformation blue prints into innovative and exciting environments that promote excellent leadership and learning.

Halton's approach combines five powerful strands of action establishing governance arrangements, which provide high levels of involvement across the Council and third party organisations;

- Rigorous project and risk management;
- Building and maintaining change capacity through an effective combination of internal and external resources;
- Developing new models of partnership with schools to drive forward change;
- Ensuring that the vision for ICT is not only implemented effectively but makes the maximum contribution as an enabler of other strands of change
- Guarding the educational vision throughout the construction phase.

2 BACKGROUND

2.1 The Corporate Vision

Halton's vision for Children and Young People needs to be viewed against a history of improvement since becoming a unitary authority in 1998. There has been a significant improvement in both attendance and attainment. The vision for the BSF, Primary Capital Programme (PCP) and the Children Plan are all aligned as we see this as a 0-19 transformation of learning in Halton to:

"... further develop learning environments which are innovative, flexible and dynamic where every learner is valued and has the opportunity to achieve and realise their individual potential"

This Corporate Vision remains the same as that detailed in the SfC2 approved in January 2009.

Our prime goal remains to raise standards and the aspirations of young people; as this ultimately gives greater opportunities for personal fulfilment and the opportunity to discover one's own true potential. We will achieve this in partnership with our stakeholders by seeking to unlock the potential of all learners through high quality provision, exciting and innovative learning opportunities and underpinned by our commitment to removing the barriers to learning through our inclusive approach. This can be summarised by the following goals:

- Our key role is to lead on the development of a Halton wide "Learning Community" within which all learners can develop a real and lasting enjoyment of learning and come to value the opportunities that high quality learning can provide.
- Our focus is on the learner and the quality of teaching and learning opportunities learners have access to.
- Our expectations are very high. In consultation with our schools and other partners in our learning community, we will set and achieve challenging targets.
- Our pace will increase to ensure we raise standards for every learner and for the community that we serve. Please see how the KPI's have been developed to capture this pace
- To achieve our goals we will aim high and accept nothing less than continuous improvement. We will continue to strengthen the excellent partnerships that exist within our learning community.
- Our agenda is challenging. To achieve this we will build on our existing commitment to becoming a learning organisation that values the individuals within it and those who work in partnership with us.

2.2 Strategic Overview

The Key strategic outcomes remain as that detailed in the SfC2 approved in January 2009, in that there have been no significant changes that would affect the priorities and context of Halton's BSF programme which includes the following objectives:

- Improve educational outcomes for all;
- Provide the support and challenge to improve school performance;
- Enhance multi agency working so we can intervene earlier and increase capacity for extended services and community use;
- Supporting teaching and learning through Information and Communications Technology (ICT);
- Secure inclusion and further enhancing the provision for pupils with special educational needs;
- Promoting healthy eating and increasing participation in sports and physical exercise;
- Promoting new approaches to school organisation and governance.

Halton has been consistent throughout the preparation of our BSF programme over the benefits to all its stakeholders. These were set out in our Readiness to Deliver and Strategy for Change documents and have been developed and refined at each stage. Our consultation with a range of stakeholders has confirmed the original vision and this is reaffirmed at the OBC stage. The timing of BSF aligns clearly with the current strategic thinking we are undertaking on how we can make the next 'step change' in standards and outcomes for all our learners.

2.3 Key Estate Priorities

The prioritisation criteria were established in discussion with our PfS Project Director and Programme Sponsor and reflect the DCSF criteria of educational outcomes, Free School Meals (FSM), Attainment but also AMP condition/suitability, value for money and current occupancy levels. The prioritisation of schemes has been shared with all Headteachers, who are supportive of the proposals and are presented in **Appendix 13**. The phases allow for all PFI funded schemes (with the exception of a sample scheme) to be grouped and have been agreed in principle with PfS. Sample schemes have been identified as The Grange Schools (subject to the alignment of funding from Primary Capital Fund phase one) and Wade Deacon High School.

The prioritisation remains consistent with the priority outlined in the SfC2. The only clarification concerns the Halton Academy. During the production of SfC2, the location of the Halton Academy was still to be clarified and therefore in SfC2 the school was placed in both Phase 2 and 3 depending on whether the Academy was going to move to a new site or remain on its current location. Due to affordability the decision has now been made for the Academy to remain on its site and therefore will be part of Phase 3.

Halton have also agreed with Warrington BC to procure a joint LEP. The joint programme team will ensure that the 4 wave 1 Warrington schools are taken through the pre-procurement stage to allow their procurement be integrated with the Halton programme. This will mean two additional schools will be added to both Phase 2 and Phase 3. These schools have been highlighted in the table in **Appendix 13**.

The summary phasing table taken from the Funding Allocation Model has been updated and is included for reference as **Appendix 6**.

3 THE PROGRAMME

3.1 Option Analysis & Feasibility

This section describes how the work undertaken at SfC1 and SfC2 has been tested and developed by our Technical Advisers into detailed feasibility studies for each of the school sites within Halton's BSF Programme. It then further details consultation with key stakeholders, and how the options for each school have been developed, tested and evaluated to find the best option to develop in more detail and then cost to ensure affordability and value for money to Halton across the whole programme.

The development of the Preferred Control Options (PCOs) is presented in **Appendix 1**. The results of the Workshop and all scores are presented in **Appendix 1A**. The costs for these options are presented in **Section 1B**. All projected scheme costs have been produced and signed off by Currie and Brown, our Technical Advisers. A Risk Register has been developed for the Programme and is presented in **Appendix 4**. The risk register has been set up to allow risks to individual school sites to be identified this register was established and review via a workshop approach. The risks are reviewed by the risk owners monthly before each programme board and both programme and strategic board discuss the top risk as a standard item on their agendas.

The following sections discuss the process in a little more detail.

Option Appraisal Process

Long List Selection Methodology

Following the initial visits, discussions with the Headteachers and an investigation of the existing facilities, a number of options were developed.

The control options considered for each school were generated based on different proportions of work types (classes). Works were classified as follows:

- Do nothing
This includes areas which have recently been constructed or renovated in very recent building programmes. It is expected that these areas will still be suitable and in good condition when works to the rest of the school are undertaken under the BSF programme.
- Light Refurbishment
Light Refurbishment in general address three critical areas: backlog maintenance, requirements under the Disability Discrimination Act 1995 and Special Educational Needs and Disability Act 2001 (DDA/SENDA compliance), and Health & Safety issues. Backlog maintenance consists primarily of Priority One issues identified in the Authority's Asset Management Plans (AMP) for each facility, together with the high priority works identified during structural, building and M&E surveys undertaken during the feasibility study. These proposals assume the retention of the majority of the school buildings, but allow for significant works. Examples of these significant works include the removal and replacement of internal partitions and/or replacement of external windows and cladding. The inefficiencies of internal layouts can be addressed by remodelling and the provision of limited new buildings or new extensions will address inadequacies in overall layout or insufficient area
- Refurbishment / Remodelling
This includes for works internally to take account of all condition issue, largely replace all mechanical and electrical plant infra-structure and ensure that current statutory requirements and guidelines, such as BB101, are taken into account. It will also allow for areas to be physically re-modelled to bring about the Schools required Vision and Strategy for Change and allows for any necessary external works to improve access, parking etc to be done.
- New build
These options are for the replacement of at least 70% of the existing buildings. Those buildings that are considered for retention will be either recently constructed or contain specialist facilities such as swimming pools.

The Technical Advisers used data held by Halton Borough Council and initial Envirocheck surveys to establish any potential high level site issues. This enabled a range of Options to be developed for each school which had at their heart the Key Educational Outcomes listed in SfC1 and which would lead to transformational learning environments to be developed and eradicate sufficiency and condition problems throughout the Authorities secondary and special school estate. Through workshops with Headteachers, basic adjacencies and operational requirements and organisational issues were mapped out, and reflected in the options developed. These were evaluated against the Key educational Outcomes at SfC1 and then also against programme, cost and deliverability issues.

Short List Selection Methodology

In order to ensure that robust and feasible options were developed at OBC, and to ensure that risks can be passed to bidders, our Technical Advisers were commissioned to procure a suite of surveys for each of the current school sites, and ensure that, where necessary, these can be warranted to two third parties when financial close is achieved.

The surveys commissioned are listed in **Appendix 26**.

Once completed, the surveys were analysed by our Technical Advisers, the data was then used to inform OBC option development and to populate the abnormalities proforma **Appendix 1B**.

For simplicity and ease in assessing the risks for each site, any significant risks highlighted by the surveys, have been plotted onto a constraints map for each of the retained sites and colour coded red, amber or green, to highlight their magnitude of high, medium or low.

Further consultation with key stakeholders were then undertaken in order to identify the Short list of options.

Control Option Selection Methodology

In order to develop the SfC2 control option into a solution to enable the transformation needed to achieve each school’s individual strategy for change, the Authority’s Client Design Adviser has attended the following meetings with schools.

Date	Meeting
November 08	Meeting to revisit SfC2 option, discuss survey results and further organisational strategies required having developed individual schools strategies for change, and change / develop any new options
January 09	Qualitative evaluation sessions to establish a control option for OBC
January / February 09	Meetings with schools to discuss sketched indicative floor plans (Utilising notes of meetings before and adjacency diagrams generated by schools.)
January / February 09	One day workshops with extended school groups (either all staff or Heads of faculty / Department) to develop adjacencies, organisational arrangements etc.

Through these meetings the control option selected at SfC2 has been tested, allowances made for any issues raised in the suite of surveys undertaken and any necessary changes arising through the schools more informed views of their organisational structures and visions, borne out in their Individual Schools Strategy for Change have been taken into consideration.

Further detail about the focus and result of each of these meetings can be found in **Appendix 1A**.

Having tested and developed any further options for each school, a Qualitative evaluation session was arranged to discuss and score the various options, and thus agree a control option to develop further and cost to prove that it delivers the necessary transformation and provides value for money to the Authority.

The qualitative evaluation sessions were generally attended by:

- School Senior Leadership Team
- School Governor

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- Mouchel (Education Adviser)
- Currie and Brown (Technical Adviser)
- Halton Borough Council BSF Programme Director
- Halton Borough Council Programme Sponsor

In appraising the options, the same criteria to that used in SfC2 option evaluations was employed. This ensured that the same education drivers, as set out in SfC1, were evaluated for each option, therefore keeping these principles at the heart of the optioneering process. Additionally, each option was assessed against its overall affordability, how disruptive the construction process would be to the school and thus how ongoing attainment may be affected, its deliverability and programme length and how well it would re-invigorate the school estate.

Preferred Option

After each option had been thoroughly discussed and evaluated in open forum, pros and cons decided and questions answered, each panel member then individually scored the criteria for each option from 1-5, with 1 being poor and 5 being good. These were later populated into a master sheet which averaged each score and applied the appropriate weighting. The mean weighted score for each criterion was then added to give an overall total for each option. The option which attained the highest score is the option taken forward for further development at OBC.

The evaluation packs used in the sample schools appraisals can be found in **Appendix 1A**. The other evaluation packs are available on request.

Following the individual qualitative evaluation sessions at each of the schools, the Authority's Technical Advisers presented each school's selected option to the wider Technical Workstream Group, highlighting the risks for each site, together with the pros, cons and rationale for selection. Each option was ratified by individual members of this group.

Development of the Preferred Control Options

Once all the iterative design development of each PCO was complete and the Accommodation Schedules had been successfully mapped onto the PCO for each school and the floor plans signed off by the schools and the Authority. The costs of each PCO were then finalised, including abnormal calculations. These costs are presented in **Sections 5**.

The total breakdown of floor areas for the whole programme being considered under this proposal is:

- Renewal: 59.7%
- Remodel: 8.5%
- Refurbish: 24.5%
- No work: 7.3%

The following table show how this is broken down for each of the schools.

	New Build	Refurb / Remodel	Light refurb	Do Nothing	Total Gross Area
Ashley	4220	0	0	0	4220
Bankfield	5754.2	432	3304	0	9490
The Bridge	0	400	920	0	1320
Cavendish	189	182	1892	0	2263
Chesnut Lodge	2975	0	0	0	2975
St. Chads	4133	683	2732	4794	12342
The Grange Comp	6633	1456	311	0	8430
The Grange Primary	2600	0	0	0	2600
Halton High	1127	1300	6522	1888	10837

	New Build	Refurb / Remodel	Light refurb	Do Nothing	Total Gross Area
The Heath	10995	0	0	0	10995
Sts. Peter and Paul	9020	300	4229	0	13549
Wade Deacon	6894	3019	2521	0	12434
Totals	54540	7772	22431	6882	91425

Details of each of the Schools can be found in **Appendix 1A**. This includes summaries of the site, issues, aspirations, the developed proposal and abnormal works associated with this proposal.

Drawings of the existing schools and proposed solution can be found in **Appendix 1A**, with an indicative accommodation schedule for each school.

The costs of these developed design proposals have been assessed for all schemes in order to evaluate the overall affordability. The aggregate of the scheme estimates falls within the indicative funding envelope. However, if the sum of the scheme costs increase beyond the affordability envelope as the project develops a formal identification of design features that are high cost but low priority will be undertaken in order to reduce the project cost without significant impact to educational outcomes. Details of the costs can be found in **Section 5** and **Appendix 1B**.

Development of the Accommodation Schedules and Floor Plans

All schools were supported by the education consultants to develop a schedule of accommodation. This took the form of working with the schools to translate the School Strategy for Change into a curriculum model and then using the BB98 guidelines into the draft accommodation schedule. Schools were also encouraged to explore different models of accommodation that would more readily deliver the school's vision, and many schools took advantage of visits to schools both in Britain and abroad to explore different models.

The Authority's Client Design Adviser then used these Accommodation Schedules together with information gained from previous engagements with each relating to:

- organisational strategies
- required adjacencies
- the need for future flexibility to cope with educational change
- and the sample schemes in BB98

to formulate draft floor plans for each school, and meetings were convened at each school to discuss them in open forum.

Prior to visiting each school the Authority's Client Design Adviser, Education and ICT advisers attended one day workshops with a wider audience from each school (either the whole school or Heads of faculty / department). In these sessions each discussed how their individual strategies for change and visions could be practically realised through the construction / remodelling of spaces, together with their needs and aspirations for the programme.

At the meetings to discuss the draft floor plans, comments were received and noted, and where practical, the opportunity to change the floor plans to better reflect the outcome of workshops was also noted.

Floor plans were then edited and set back to schools for final agreement.

The Floor Plans, Phasing Plans and Massing drawings are all provided in **Appendix 1A**.

Stakeholder Engagement

In parallel to the Workshops, the Authority has held various sessions to engage students, teachers, non-teaching staff, governors and wider Council officers, including both corporate and school-based Design Quality Indicator workshops as outlined further below. We have also been assisted by our CABE enabler, Sue Williams.

Schools

Following on from the individual and group meetings with schools carried out by the Authority's Client Design Adviser (CDA) at SfC 2, further meetings have been held with each school to develop the SfC2 control option into a real life solution which addresses the schools organisational and transformational needs and provide accommodation to satisfy current school and community use, as well as having inherent flexibility to adapt to any future curriculum changes.

Planning and transport Officers

Developments on options from SfC2 were discussed at the bi monthly Technical workstream meetings held by the Authority, of which both our Technical Advisers and planning officers are members. In addition to these meetings there have been regular meetings with planning and transport officers to develop the Detailed Planning Briefs for each school site. (See **Appendix 27**)

Secured by Design

Our Technical Advisers have had two meetings with Cheshire Constabulary's Crime Prevention Officer, Mark Antrobus, where each option has been discussed and any comments reflected in the option development. In addition to this, there has been close liaison in the development of the FSOS Part b1, and the sample schools part B2, to ensure that future schools will, as far as possible, have any security issues eradicated.

Sport England

There has been close and regular contact with Sport England and two meetings have been held to discuss options as they develop and to re-assure that overall, the Sporting facilities in Halton Borough Council are going to be significantly improved when the BSF programme is complete. These meetings have been attended by our Technical Advisers and Halton Borough councils Programme Director and Sports Development Manager. Through discussion and dialogue, it has been established that Sport England does not, at present, have any objections to the proposed developments at sites within Halton which are to be retained and developed. (See **Appendix 9** for letter)

Cheshire Fire Service

Our Technical Advisers have liaised with the Fire Service on two occasions and reviewed the options as they develop to ensure that Fire Access is sufficient for each of them, as well as to discuss issues such as policies on evacuation and use of sprinkler systems

CABE

The Authority's Technical Advisers and Programme Manager and Director met with Sue Williams of CABE to review the options from SfC2 and to develop a schedule of input for Sue as the process moves forward. Halton are committed to utilising CABE's Adviser to ensure that, at all times, the options being developed conform to CABE's principles and to thus ensure that efficient, practical and well designed schools are created.

Head teacher research

In order to gain an understanding of how transformation may or may not be achieved through the creation of new school buildings, the Authority have supported the Head teachers of the schools involved in the programme in visiting other new build schools throughout the country. This exercise has both empowered and enabled them to become informed clients when discussing their needs and opinions with the Authority's Client Design and Technical Advisers. The wealth of knowledge gained from these visits, gaining a thorough understanding of what transformation means to different schools and appreciating the pros and cons of the different approaches has enabled them to assist in developing options and which make the best of their experiences.

In addition to these trips, the Authority also took a group of the Headteachers to Stockholm in Sweden where they visited Kunskapsskolan Enskede (11 to 16) and Internationella Kunskapsgymnasiet (16 to 19).

DQI for Schools

A workshop for all Headteachers to set the Required (R), Desired (D) and Inspired (I) elements took place on Friday January 23rd 2009. The session was also attended by the Authority's Education, Technical and Client Design Advisers.

Prior to attending the event attendees were required to consider 2-3 key issues under the headings of Functionality, Build Quality and Impact and for discussion purposes to judge for their own schools:

- What is special about the way the school operates?
- What is special about the site or location?
- What impact does the school have on the neighbourhood?

These were then used in the session by the DQI facilitator to draw out discussion on what rating each member would give to the criteria in the three headings.

This formed a DQI for all of the secondary schools on Halton, and follow up meetings to adjust the criteria for each of the special schools and Pupil Referral unit were undertaken.

Data from the resultant DQI report has been cross referenced by the Client Design Adviser in developing the control options and floor plans to date, and will form part of the Facilities and Services Output Specification Part B1: Authority-Generic Design Brief given to bidders at the procurement phase.

Sustainability

The Authority are committed to construct schools which limit the impact on the Environment in the future and which are sustainable. A Carbon Management Plan (See **Appendix 25**) has been produced and therefore the Authority expect that through the Facilities and Services Output Specification (FSOS) (Parts B1 and B2), bidders will be guided to design and construct schools which exceed the DCSF's target of a 60% reduction in carbon usage relative to those based on the 2002 Building Regulations.

The Authority's Technical Advisers, in conjunction with Officers, have completed the Carbon Calculators (see **Appendix 25**) which demonstrate that on the control options which have been developed; this is possible with a reduction of **XXX%**.

This will help to achieve a requirement for all new buildings to achieve at least a "Very good" rating under the Building Research Establishment Environmental Assessment Method (BREEAM). This will help to ensure that buildings are energy efficient and create suitable learning environments which are well ventilated and lit. The Authority aspire to exceed this rating if possible.

In terms of renewable energy, the Government Office for the North West requirement, set out in its Regional Spatial Strategy (Policy EM17), is that by 2010 at least 10% of the electricity which is supplied should be provided from renewable energy sources.

It is expected that at procurement phase bidders developing designs will be challenged to ensure that use of high ceilings, larger windows, shallow rooms and an effective building management system (BMS) are included. These are expected to raise initial capital expenditure costs, but value for money should be shown through lifecycle costs. Benefits include:

- Natural ventilation - more pleasant working environments and savings on any mechanical forced ventilation required to achieve the air changes required through BB101
- Daylight penetration is greater leading to an even spread of daylight, thus saving the use of lighting in the day
- Individual lighting controls being employed - lights only operate when required, thus saving energy
- Individual temperature control of rooms controlled by the building management system – less energy consumed through un-occupied rooms not being heated

In addition to monetary savings, BREEAM credits for health and wellbeing can be gained, and carbon emissions substantially reduced.

Bidders will also be expected to demonstrate that in any FM contracts undertaken with the schools, local sourcing of both materials and tradespersons is demonstrated, so as to minimise the carbon footprint of each journey.

In addition to reducing energy through the use of smart energy and materials, it will also be minimised through a green travel plan, minimising student travel through the effective use of ICT. ICT systems will be low energy etc.

Design Quality

The Authority are committed to ensuring design quality throughout the process and to thus achieve a school estate, which is

- well designed
- robust and fit for purpose
- flexible enough to all for future changing curriculum direction
- able to stand the test of time and inspire local communities for generations to come.

Therefore Design Quality has been embedded into the process through the development of the DQI report and use of The Client Design Adviser in developing the options and consulting with schools. Sue Dickinson from CABA has reviewed options as they develop and is committed to engaging in the process as it runs to procurement and ultimately construction and ensuring high quality.

The Authority's Client Design and Technical Advisers will also scrutinise bidders developing designs, and the ultimate preferred partners designs as they develop, to ensure that buildings are well designed and laid out, and that materials used are well detailed, robust and will remain aesthetically pleasing over time.

Educational Vision Impact on Design

Working in conjunction with schools and Education Advisers, the Authority has developed SSfCs for each school. These strategies set out in detail the current position of the schools and their existing facilities, the school's aspirations for the future and the changes necessary to achieve these improvements.

In developing the SSfC schools were challenged by the Education Advisers to explore the relationship between the needs of the school in terms of improving the outcomes for its student population and the expressed solutions, and how these solutions would impact on the requirements for the school building. Schools were asked to consider both the requirements for learning spaces to meet the future and developing needs of the school and also how spaces should be grouped within the intended organisational pattern of the school. Schools were supported by the Architectural Adviser in developing these proposals into draft design patterns.

We have highlighted the key relationships between the transformational headlines and the final control options in tabular format. Two non-sample school examples of these are provided below. We will develop these as future Phases are rolled out.

The Grange School- Transformation Headlines & Relationship to Control Options

Headline	Control option response
To develop an all age trust school	The control option is for a single, new build facility for 0-16 year olds combining the four schools within the Grange Trust through the combination of BSF and PCP funding
To develop an inclusive learning community	The rationale for the single school building allows for pupils to progress at stage rather than age through the continuum form 0-16. In addition the school will have resourced provision for pupils with a diagnosis of autistic spectrum disorder and pupils with difficulties in the areas of speech and language and communication needs.
To develop a range of extended school provision	The control option allows the school to deliver the full range of extended provision across the whole age range. In addition accommodation will exist to allow a whole range of peripatetic service delivery to fully support pupils in health, social care etc.

Headline	Control option response
To provide a hub for community regeneration	The development of a high quality, purpose built facility clearly signals the integrated nature of the Grange Trust provision and importantly acts as a beacon to the local community as to the importance of education and significance the local council attaches to it. The accommodation will allow the school to offer a range of adult learning and family support activities and advice Most importantly the school will be able to develop new forms of relevant, meaningful learning delivered within an aspirational and inspirational environment that will allow pupils to maximise achievement and allow them to break the cycle of deprivation that afflicts many of the families in the community

Wade Deacon High School - Transformation Headlines & Relationship to Control Options

Headline	Control option response
Developing personalised learning and improving outcomes	The control option for substantial new build with the refurbishment of an existing block allows for the realisation of the school's very clear aspirations for the development of personalised learning and the continued improvement in standards
To develop a series of internal 'schools' to integrate pastoral and curriculum organisational models	The control option allows both for the school's intended organisational pattern, which cannot be delivered within the current building, but also the delivery of more traditional patterns should the future require it
To fully utilise ICT to enhance all aspects of school life	The delivery of the school's ICT vision can be achieved within all options
To provide inclusive educational provision	The control option allows for a fully inclusive building. In addition the co-location with Ashley Special School further enhances opportunities for inclusion and the development of staff skills.

Further details on how the Education Visions have impacted on the design solutions can be found at **Sections 3.3 and 7**.

Phasing considerations

It is imperative during the whole BSF construction programme that education standards are maintained and that schools continue to meet their improvement targets. We acknowledge that this can be difficult in circumstances where schools are undergoing major redevelopment/refurbishment works.

When the options for each school were developed, thoughts of how the buildings could be transformed, whilst still ensuring that the educational attainment of pupils would not be affected, was a key consideration. This was alongside a desire to ensure value for money for the Authority through minimising the amount of decant accommodation required as the programme developed.

Various phasing options, including minor adjustments to the final design, were tabled and reviewed with schools at these workshops in order to identify the optimum design solution that would present the least adverse impact on pupils' educational attainment.

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This OBC stage has been characterised by a process of iterative design development. Other than for the confirmation of the SfC2 control options, the OBC proposals have been developed by collaborative design evolution rather than the selection of one discrete proposal over another by means of a matrix-based assessment.

Due to the generally open nature of the sites that comprise the school estate in Halton, and the redundant site generated through the federation and co-location of Fairfield School onto the Wade Deacon site, the Authority's Client Design Adviser and Technical Advisers have developed schemes which negate the need for any temporary decant accommodation to be provided on any school site. As part of this process, the various design constraints and abnormals have been assessed and costed for each developed design proposal at each site. A summary of the phasing is shown below, with detailed Phasing plans for each scheme included in **Appendix 1A**.

School	Detail of phasing
Ashley	Move from current site into new build on co-located Ashley / Wade Deacon site
Bankfield	Utilise new build Chesnut Lodge school shell as decant and phase demolition of existing school and new build
Cavendish	Phased over Summer holidays
Chesnut Lodge	Move from current site into new build on co-located Bankfield / Chesnut lodge site
St. Chads	Utilise existing redundant temporary buildings with phased construction of new elements prior to refurbishing the main block
The Grange All Through	New build adjacent to current school, decant in when complete prior to demolition of existing school and landscaping
Halton High	Construct new elements and utilise these whilst any remodelling takes place in existing areas
The Heath	New build adjacent to current school, decant in when complete prior to demolition of existing school and landscaping
Sts. Peter and Paul	Decant to old Fairfield site. Demolish redundant buildings and rebuild prior to decanting g in to them
Wade Deacon	Decant to old Fairfield site and construct new elements adjacent to 1930's block, decant in and then demolish 1959 block.
The Bridge	Phased over Summer holidays

OBC Costs Basis

The Outline Business Case (OBC) costs have been derived from the Funding Allocation Model (FAM) which has been populated by Currie and Brown (C&B) in conjunction with information supplied by C&B and the Authority.

Capital cost for the schemes have been calculated using benchmarked construction costs. These utilise actual costs from similar recent construction projects in the region. The location factor adjustment has been applied and the inflation adjustment, calculated using the DTI Pubsec Index, version June 2008, has been applied to construction start date.

Abnormal Costs & External Works

Abnormal proformas have been populated to include:

- all external works costs
- Costs to mitigate risks identified through surveys undertaken
- Decant accommodation and phasing requirements
- Likely local Planning / Transport officer requirements for planning approval

Details of the abnormal costs and external works for all the schools are contained within **Appendix 1B**.

Life Cycle Costs

As all of the estate earmarked to be refurbished / remodelled is relatively new, or has been well maintained, for the purposes of these costings it has been assumed that it will be at an equivalent standard to any new build when the buildings are occupied.

Facilities Management Costs

The full assumptions used in calculating these costs can be found at the bottom of the FM costing spreadsheet found in **Appendix 1B**.

3.2 Sample Schools

The prioritisation criteria were established in discussion with our PfS Project Director and Programme Sponsor. The basis of prioritisation has previously been described in SfC2, and is summarised as follows:

- Educational outcomes,
- Free School Meals (FSM),
- Attainment
- AMP condition/suitability,
- Value for money and
- Current occupancy levels.

The prioritisation of schemes has been shared with all Headteachers, who are supportive of the proposals and are presented in **Appendix 13**. The phases allow for all PFI funded schemes (with the exception of a sample scheme) to be grouped and have been agreed in principle with PfS. Sample schemes have been identified as The Grange School (subject to the alignment of funding from Primary Capital Fund phase one) and Wade Deacon High School.

Further details about the schemes, including School SfCs, Strategic Briefs, Drawings showing the outcome of the feasibility study for each school, costings and Abnormal costs proforma are set out in **Appendix 1B**.

We confirm that all schools in the Wave have been developed to the same level of detail as these sample schools.

3.3 Sample Schools – Delivery of Strategy for Change

In developing its Strategy for Change documentation (SfC1 and SfC2) the Authority worked in close partnership with Headteachers to secure an Authority-wide vision for transformation. These were articulated in the 7 key challenges:

- Personalisation of learning and the development of self management skills amongst learners – to fully transform to Borough-wide culture such as this, internal space needs to be highly flexible and adaptable, able to respond to individual learning styles and a wide range of size of groupings. Assessment of the relative agility of the stock at each school was made. Most building stock pre-dates the personalisation agenda and restricts the schools to conventional school organisation and pedagogy of 30 students and one teacher. Much of the existing stock can be remodelled to address this but in some cases, structural elements and existing condition will inhibit full realisation of this goal.

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- Inclusion and participation of learners with SEN and disabilities– to implement an ambitious agenda in which all learners have opportunities to secure the benefits of both the mainstream and special school estate, the specification for access standards must be considerably higher than the minimum regulatory standards require. There are very few parts of the estate which meet these criteria even within the Special schools themselves. This is discussed in Section below.
- Every Child Matters – the five outcomes of ECM require healthy and safe environments in which young people can enjoy and achieve. There is a consistent shortfall in the ability of basic heating, ventilation and other services across the estate making the schools basic environments unsuitable for delivering learning. Poor security is a significant issue in particular schools, for example Halton High, Fairfield and Ashley; however all schools experience significant difficulties throughout the Borough.
- There is a strong appetite and commitment across the secondary estate and within other Children's Services Agencies to work together and exemplify practices in working together through the ECM agenda on school sites. This cannot be implemented on most sites due to unsuitable facilities and insufficient Gross Internal Floor Area (GIFA).
- Workforce remodelling – staff accommodation is consistently poor and inflexible inhibiting the ability to support, coach and mentor students in new pedagogical methods.
- ICT and media rich learning – environments predate an agenda where ICT infrastructure contributes to new ways of learning; buildings are ill-equipped and inflexible making it difficult if not impossible to implement a flexible and inspirational personalised curriculum.
- The engagement of an entire community in learning – schools have made excellent in-roads into developing life-long learning opportunities and building social capital within their respective local communities but these are despite rather than because of suitable accommodation. As they are, the appeal of the buildings is low; their general appearance, condition and in some cases in-coherent layout create a reticence within communities to participate and new opportunities which require upgrading of facilities cannot yet be provided.

These continue to be the agreed priorities and are supported by all stakeholders.

Both sample schools have structured their plans around the seven key challenges above with strategies to meet them. The strategies outlined in the plans are consistent with those articulated in the Authority's SfC documents.

When developing the Schools SfCs they were asked to directly respond to the authority's seven key challenges listed above. To do so they were asked to consider the context of the school, particularly in terms of current performance and then describe how the key challenges would be addressed for their own school community. This has resulted in individualised responses that collectively deliver the Local Authority vision. For example Wade Deacon schools have described a fully integrated model of personalised learning with all students having an individual tutor with responsibility for supporting the pupils understanding of their own learning and liaising with staff and other professionals to meet needs. Two schools, Wade Deacon and Bankfield will be co-located with Special Schools in campus sites, whilst Grange, Wade Deacon, Saints Peter and Paul and Bankfield will have resourced units for students with SEN to further the Local Authority's drive towards inclusive education. All schools have recognised the need for staff development in transforming learning and the role that workforce reform can have in this, and have therefore begun to integrate their change management proposals into existing school improvement planning. In addition schedules of accommodation for all schools have prioritised the need for high quality work spaces and training facilities for staff.

The 14-19 proposals have been further developed as set out in **Appendix 26**.

One of our key objectives is to ensure that there is a clear link between SfC2 and the ICT output specification, including school priorities and in order to achieve this we have produced a chart demonstrating these linkages (**Appendix 28**). Additionally schools also needed to demonstrate that their individual output specifications are aligned to their school's educational vision as articulated in their strategy for change documents, therefore charts showing the direct links between the two documents have also been produced for each school (**Appendix 28**).

3.4 ICT service provision

BSF provides the Authority and schools with the opportunity to build on the significant progress already made in ICT and e-learning and deliver the necessary resources to achieve significant Authority-wide transformation of teaching and learning and the processes that support them. We know that ICT is key to schools achieving the goals articulated in their own Strategies for Change and as such we are committed to reducing the burden of technology management and support and releasing potential and capacity to support curriculum innovation, the management 21st century learning and change management.

ICT Programme Scope

Preface to ICT requirement

Halton Borough Council on behalf of its school estate is seeking to enter into a long term managed services agreement built on partnership working and the sharing of risk and reward. Together as a partnership with our managed service partner (MSP) and the LEP, we will seek to exploit new technology in the engagement of learners and seek new generation solutions for a new and unknown generation of future problems.

General

The ICT service for all Halton BSF schools will be provided through a managed service contract to be obtained through the standard LEP model. The ICT managed service will cover all Halton BSF schools. Since Halton is a single wave authority, the managed services contract for ICT provision will cover all Secondary schools, Special Schools with secondary provision and the KS3 and 4 Pupil Referral Units. We will explore the opportunities to include primaries and other education facilities in the managed service through the dialogue process.

The service provided will support the local authority's and individual schools' strategies for educational transformation through the strategic deployment of ICT. Specific school requirements as well as the baseline service expectations are defined in the BSF ICT Output Specification attached as **Appendix 2B**.

The use and development of ICT in teaching and learning across the Halton estate is strongly innovative and underpinned by the common MIS and MLE platforms which is a key asset of the programme pre-procurement. The BSF Programme will allow us to build on our success of the past and develop further our ICT capability across the Borough, with a flexible approach which will ensure all schools benefit from the new service no matter where they appear in the continuum. It is a key investment outcome that we are seeking to make the areas of strongly innovative practice commonplace and to ensure that all schools have a uniformly excellent baseline from which to deliver education services. By addressing local provision issues and supporting schools through targeted training, support and change management.

The ICT managed service specification has been developed by the local authority through extensive consultation with all BSF schools and other stakeholders including:

- Runcorn and Widnes City Learning Centres;
- North West Grid for Learning;
- Partnerships for Schools;
- Local Authority Officers and specialist services; and
- Corporate ICT and other current service providers.

The resulting Output specification, delivered as part of OBC, has allowed us to capture ICT vision and ambitions into a set of measurable outcomes. These ambitions are not only intended to improve the education outcomes of the child but also to deliver extended services as part of the Every Child Matters agenda.

The output specification delivers a set of requirements which will allow us to fulfil our strategies for change, not only at the individual school level but also, to act as a catalyst for transformation of the entire Children's Service Authority. It is envisaged that the Warrington BSF scheme will use the same managed service from the LEP however the scope of service to the Warrington Schools will be discussed via their OBC, due for submission in Summer 2010.

Current Service Appraisal

In order to determine the most suitable method for delivery of new ICT services it was essential that we closely examined the current service provision across the BSF schools. The selection of a partner organisation through the BSF Programme and as part of the LEP will allow us to further develop the services provided to Schools, to raise the professionalism of service delivery and to ensure that Halton continues to deliver year-on-year improvements in attainment, attendance and a wider ability to draw in marginalised or hard to reach groups into the education process.

We will look to the BSF Programme to provide flexibility in terms of where staff and partner agencies can access information on the child and enhance the wellbeing of children through the ability to work jointly. Working methods are continually being developed to ensure that staff are able to access services and information relevant to their job and in support of an increasingly mobile workforce. We are committed to delivering the key 14-19 agenda programmes such as shared-provider diplomas, apprenticeships and linkages with key HE/FE partners. We are clear that the investment in technology that BSF affords is the catalyst for ensuring that no learner's circumstances that may act as barriers to learning are left unchallenged or unresolved. Where we have ongoing issues with white, working class boys in terms of attendance, attainment and engagement with the learning and teaching process, we will work with our MSP to create alternate strategies for such groups to find new ways back into learning.

Most Halton schools currently receive a set of core shared services. These are provided to the schools on an annual Service Level Agreement (SLA) basis. These core services are provided by the Children & Young People's Division Management, Information and Communications team and also Halton Borough Council Corporate ICT unit and a number of third party support organisations. The core services are as follows:

Provision and support of the Halton Education Network. With all schools have 10mb LES 10 circuits

- Virtual Learning Environment (VLE): Halton has deployed Uniservity across all secondary schools and is currently extending this provision to all primaries;
- Email services. All school staff as well as all secondary pupils receive an email account through the VLE system;
- Management Information Systems (MIS): Halton uses the SIMS system and this is deployed Borough wide.
- Support for the SIMS system and the VLE
- School improvement services
- Links to JANET via NWGfL

It is expected that service delivery responsibility for the majority of the shared services will move to the managed service partner under the BSF Programme. Exceptions are listed below:

MIS

The current MIS system is used across all schools including secondary and special and primary and has reached a level of maturity that ensures that not only is there confidence in the quality and security of data, but that Halton is also commended on its data management and is used by providers for trialling new initiatives. Whilst we are committed to retaining this platform as the standard going forward into BSF, we would welcome inputs and support from bidders who are keen to work with us to take this expertise and deep understanding to the next level.

Options Appraisal.

The options for moving forward with MIS are as follows:

- Novate service delivery responsibility to MSP. This option has been discounted due to level of current investment and the active development in the service.
- Retain service delivery within the local authority. The Local Authority wishes to retain the use of its investment in MIS. With this in mind the retention of service delivery is based on a value for money and quality of delivery argument.

Interface issues.

The local authority acknowledges that the retention of service delivery introduces potential interface issues within the LEP. The following issues have been identified:

- Specification. There is the possibility of specification issues arising around the technical connection with the VLE, however there is a solution which Capita can make available and the Authority is considering at present so this should not cause any undue issues.
- Helpdesk Issues. The Local Authority acknowledges that having multiple service providers within the end to end connectivity service may cause issues within the helpdesk and the ownership of service issues. Therefore we will ensure a single helpdesk exists and ensure that there are clear lines of demarcation between helpdesk and call resolution with SLA's in place for fault rectification timescales and responsibilities.

WAN

At present it is considered that the Local Authority will continue to provide WAN services, although it is recognised that the current provision is not sufficient for the future needs of the schools. Halton are currently undertaking a borough-wide WAN review to identify key strategic options around the provision of a WAN for all public services to be supported.

Within the schools themselves there is a mixture of technologies and support methodologies. In addition to the core services described, all secondary schools have local support technicians often headed up by a Network Manager. Special Schools use provider services to support ICT within their schools as this is more cost effective than a fulltime employee, given the size school and provision of devices. This mix provides a known level of support and schools are comfortable with the ability to call on known technicians and services for a rapid response to a classroom where services or systems might be failing in the middle of a lesson. Throughout the dialogue process, we will look to ensure that a similar speed of local response can be achieved.

The current Technicians support a mixture of technologies appropriate for the teaching and learning within the school. While the technology is predominantly Windows based there is a strong and increasing presence of Apple Mac units – particularly where graphic design and media production are prevalent and particularly within one of the Special Schools as it is felt that this technology best suits the requirements of their students.

The Management, Information and Communication Division within the Children & Young People's Directorate contains a group of ICT focussed staff support both the VLE and SIMS it is envisaged that these staff will work collaboratively with the managed service and with the VLE staff providing ongoing support for non-school establishments and users. In addition there are two staff within Service Improvement who support the ongoing development of ICT across the curriculum in order to improve teaching and learning through the creative use of ICT in the classroom. Their role involves supporting schools with the use of the VLE and other technologies and includes the rollout of the VLE. It is envisaged that these two staff will transfer to the ICT managed service partner to develop teaching and learning with advanced use of ICT in order to support transformation of teaching and learning across the estate. While the Local Authority curriculum team will work collaboratively with the ICT managed service provider it is important to note that the managed service provider will have a clear remit with regard to continuing professional development as well as responsibility against associated KPIs held within the ICT payment mechanism.

The VLE (Uniservity) is currently well developed across the secondary and secondary special schools and is now being adopted by the primary estate, an email system for pupils is now being delivered across the schools. It is currently in a mature state of development with much content and teaching resources, as well as community developments, for example health information, being added to the site. The work being done by schools is now being recognised nationally with one school recently being asked to present at an external event on the work they are doing on the VLE. The Managed Service provider will be responsible for the provision, management, support and maintenance of a Learning Platform. Bidders must offer the learning platform that they consider best meets the ICT output specification, however there is the issue of content transferability and we would want to ensure the level of investment that has been made both by schools and the Local Authority in this area is protected.

Why choose a managed service for Halton

The introduction of a managed service ICT environment in Halton schools will raise the overall standards of ICT performance, stability and innovative use of ICT in the engagement of learners and raising attainment across Halton. The introduction of a managed service will reduce the complexity and burden of contract administration and oversight within schools. . In addition it will

free teachers from the process of supporting and introducing technology and allow them to focus on teaching and learning and the needs of their students.

It is expected that the improved ICT service will reduce the administrative burden of school management. The increased service level will assist in the interaction between school and parent by introducing new and innovative ways of communicating with the community.

The ICT managed service will include the following key components:

- Provision and support of location based infrastructure such as the local area network and campus-based wireless provision for staff and students;
- Provision and support of portable and fixed devices and equipment such as PC's, portable devices, laptops, PDA's and ultra mobile equipment as well as classroom based resources such as interactive whiteboards and projection or A/V equipment;
- The development of online resources to be accessed through the VLE by staff, students and members of the community;
- Operational support: support and maintenance of devices and local area networking to a high standard in order to ensure high availability;
- Operational Support: Training and introduction of new technology to the school as well as change control and change management programmes;
- Integration with existing teams such as the LA curriculum development team and the CLC to test new technology and monitor it's effectiveness through improved outcomes;
- Operational support: Project management of systems upgrades as well as the development and adoption of new technology into the schools. Production of refresh schedules and financial planning on behalf of the school and local authority; and
- Training in new technology and its use in order to support pedagogical transformation.

Scalability of service delivery

The ICT managed service delivery contract will include all secondary schools in Halton. Halton is a single wave (Wave 6) authority. In addition it is anticipated that all primary schools will receive access to the Learning Platform as well as the provision and support of staff and pupil email accounts.

The authority recognises the benefits of a close partnership with its Managed Service Provider both during and beyond the planned introduction of this new relationship. There is support within schools for the introduction of a managed service and together we will work to manage expectations and ensure that communication with key stakeholders is maintained throughout the planning and deployment process.

It is envisaged that the ICT managed service delivery will begin with the handover of the first rebuild, remodelled or refurbished school. This is currently understood to be the completion of the two sample schools in September 2012. Leading up to this point we would seek to deliver a set of interim or early service to all other schools. As a minimum, this set of services would be put in place at first handover but this could be delivered as early as financial close.

Defining what services can be offered to schools on an interim basis and reduced scope and cost in advance of the full ICT managed service commencing on each site will be a core feature of the dialogue process. Schools are signed up to the concept of early services to support transformational programmes and are keen to engage with the MSP to begin positive and productive relationships in advance of, during and post-construction.

The programme is presented in **Appendix 21** with the ICT programme in **Appendix 24**.

We will work together with the managed service provider to develop an interim service package for each school and will evaluate the operational and financial solutions to such interim services. These solutions will include use of the continuing Harnessing Technology Grant as well as the new rate of Devolved Formula Capital allocation for school equipment.

Interim services may include the following:

- Helpdesk
- LAN support for schools
- Software licensing
- Delivery of content and software
- Early adoption and support of legacy equipment.

The introduction of interim services will be used to accelerate the uniformity of services across schools this will provide a common platform for the introduction of new technology across the estate. Interim services will be structured in a way to optimise value for money through the transfer stage and throughout service introduction.

ICT and sustainability

ICT and general sustainability

The ICT Project has gained approval from all stakeholders within the BSF programme including teachers and head teachers, school governors, non-teaching staff as well as senior officers within targeted services to ensure that our requirements are stated as clearly and comprehensively as possible. The programme and procurement detail include CPD and change management planning as well as technical support work stream.

The ICT project has been fully integrated into the Council's financial planning process across the lifetime of the BSF programme and into the future through contract planning within ICT, FM & PFI programmes. This financial planning has taken place to ensure that the programme is sustainable and will remain to help us achieve ongoing transformational change across Halton.

For the purposes of this business case, we assume sustainability to refer to the maximising of the value of the investment in technology, as well as the environmental and physical sustainability of the technologies. We have developed a model based on a wide ranging refresh and innovation support structure and are keen to ensure that individual school programmes are linked and supported with a strong common theme and set of outcomes. Through this, the once-in-a-generation investment that BSF represents will be secured for the next phases of learners and will seek to ensure that all schools maintain the standards and levels of investment that this programme will facilitate.

ICT and Environmental Sustainability

The CYPD, through Halton Borough Council, is committed to utilising the power of ICT infrastructure and tools in a visionary manner while ensuring that this is complimentary to our environmental strategies and standards.

Both the Council and the CYPD will expect a continuum of the lowering of the carbon footprint and procuring technologies that are designed, manufactured, transported and operate according to these emerging strategies/standards.

Re-use of equipment for community use and the safe disposal where this is the only option is extremely important for the Council to set and adhere to these environmental standards across the town. We will seek bidders to articulate their strategies for data centre and device power need reduction and will ask for this to be balanced with evidence of where such solutions have been successfully implemented in a schools environment. We will also seek for bidders to articulate their WEEE and RoHS compliance as well as ensuring that the MSP works with Halton and the schools to ensure our carbon footprint reduction is aligned to DCSF standards and targets.

Sustained increase in Educational Performance Indicators

The Authority is already developing the use of Contact Point, and in fact is an early adopter of this system, to facilitate better communication of data across establishments and organisations. Not only will this help to safe-guard our vulnerable children, but it will secure improved outcomes for them through the provision of more robust data accessible to all necessary agencies. However, it is the intention that this will be developed further through the BSF investment and procurement of an MSP.

With the increasing potential for the use of data from multi-agency services, when issues of data protection and security are better grounded, it is recognised that the additional data can lead to more timely and accurate identification of difficulties for students, which may require intervention strategies. We have already started dialogue with key allied service provision partners and will seek for bidders to articulate where they have undertaken delivery of similar schemes in the past and how they expect to facilitate the bridging of platforms and data across multiple agencies.

The Local Authority and the schools work in partnership with the PCT and other health partners to ensure the wellbeing of the child. Data capture that will help improve key outcomes of the Every Child Matters agenda is seen as key and therefore there is a real desire to have information on

aspects of eating patterns and physical activity levels within every school. This will provide invaluable information if we are to improve the outcomes for children.

All schools are looking for solutions within BSF to improve their Extended School and community access. It is felt that technology will support this access to facilities, with many schools having community resource centres and access to sports facilities including ICT resources to monitor and assess performance included in their plans for the future.

OFSTED reports recognise that Halton has made considerable improvement in the level of achievement at GCSE and attendance for 2007/08 was the second highest in the country. There is also recognition of the importance of canvassing the views of children and young people in order to shape service provision.

BSF investment in ICT infrastructure will additionally allow for intervention strategies, statements of SEN to be communicated in real-time to any appropriate professional supporting the student. Attendance, behaviour and assessment will be electronically tracked across the school and where appropriate other learning establishments, ensuring that the "home school" retains the overview of its own students' progress. This should then contribute to improved educational performance for all our learners, even better monitoring of this and sustain improvements across all schools within the Borough.

The BSF investment must ensure that technologies are used to engage students in learning and provide the best solution regardless of where they are to be educated. This is seen as vital for children who need to be educated from home to ensure they can engage in a full curriculum and feel part of the "classroom". There also needs to be innovative use of technology to help to engage those who otherwise would feel disenfranchised and would not connect with learning. Technology is therefore key to engaging those students with some form of learning disability or those within our PRUs, including the newly created vulnerable pupils' establishment.

Long Term Financial Sustainability

Halton is committed to the further development of educational transformation and a policy of continuous improvement. Through involvement with schools and other ICT stakeholders there has been an established commitment to the revenue implications of a managed service through future years to extend past the initial contract period. This revenue funding includes an ongoing refresh contribution to ensure that affordability of new technology is not an issue in the years to come.

Technology refresh as well as the selection and adoption of new technology will be driven first and foremost by our desire to achieve educational transformation and continuous improvement in educational outcomes. With the anticipated revision of school budgets programme to take place in 2010, we have been keen to demonstrate how the BSF programme is a self-sustaining and supporting investment programme. To this end, we have modelled a range of refresh options with funds reserved centrally as well devolved to each of the schools. Through this, it is our intention to support schools in maintaining their investment in technology throughout the lifetime of the contract.

4 VALUE FOR MONEY

4.1 Summary of Procurement Route for Wave

The tables below summarise the procurement route for each school in each Phase:

Phase 1

Name of School	Procurement method	New build / refurbishment	% new build	Proposed date of financial close	Proposed school opening date
The Grange Schools	PFI	New build	84%	December 2010	September 2012
Wade Deacon High School	D&B	Refurbishment / Remodelling	55%	December 2010	September 2012

Phase 2

Name of School	Procurement method	New build / refurbishment	% new build	Proposed date of financial close	Proposed school opening date
Chesnut Lodge School	PFI	New build	100%	August 2011	September 2013
The Heath Specialist Technology College	PFI	New build	100%	August 2011	September 2013
The Bankfield School	PFI	New build	61%	August 2011	September 2013
William Beamont	PFI	New build	~100%	August 2011	September 2013
Penketh	PFI	New build	~100%	August 2011	September 2013

Phase 3

Name of School	Procurement method	New build / refurb	% new build	Proposed date of financial close	Proposed school opening date
Ashley School	D&B ¹	Refurbishment / Remodelling	100%	November 2012	September 2014
Cavendish	D&B	Minor Refurbishment	8%	November 2012	September 2014

¹ Ashley school will be built on the Wade Deacon High school site. The two schools combine to result in a total of 67% new build. The Authority has given careful consideration to the procurement route for Ashley and has concluded that D&B would deliver best value for money. Ashley has a capital value of £11.4m, well below the normal threshold for PFI and is co-located with a D&B school. There are no other proposed PFI schools within the immediate area. The school shares a site with Wade Deacon and the most logical arrangement is for some services to be delivered in conjunction with this school. This approach has been discussed and agreed with the PfS Project Director and National Programme Team.

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Name of School	Procurement method	New build / refurb	% new build	Proposed date of financial close	Proposed school opening date
The Bridge	D&B	Minor Refurbishment	0%	November 2012	September 2014
Halton High School	D&B	Refurbishment / Remodelling	10%	November 2012	September 2014
St Chad's Catholic High School	D&B	Refurbishment / Remodelling	33%	November 2012	September 2014
Saints Peter and Paul Catholic College	D&B	Refurbishment / Remodelling	67%	November 2012	September 2014
Sir Thomas Boteler CE	D&B	Refurbishment / Remodelling	20-50%	November 2012	September 2014
Padgate	D&B	Refurbishment / Remodelling	20-50%	November 2012	September 2014

ICT investment only

Name of School	Procurement method	New build / refurb	% new build	Proposed date of financial close	Proposed school opening date
The Gateway	LEP	ICT only	N/A	N/A	N/A

4.2 The PFI Projects

PfS guidance indicates that the BSF Programme level assessment has concluded that new build schools offer best Value for Money when delivered through the PFI route and schools with over 70% new build are also likely to offer best Value for Money. On the basis of the percentage split, this would therefore lead to the following schools being selected as PFI (other than at Ashley School):

- The Grange Schools
- Chesnut Lodge
- The Heath Specialist Technology College

All are at least 70% new build. There are no specific funding issues that would preclude PFI procurement.

The Bankfield School has also been identified as a PFI School as when combined with Chesnut Lodges the site will have over 70% new build.

The remaining establishments have a less than 70% new build solution. Therefore, these schools will be procured through traditional means, with the exception of Ashley School for the reasons described in the footnotes.

Qualitative Assessment

The qualitative VfM assessment considers the viability, desirability and achievability of PFI when assessed against alternative procurement routes. In addition, the latest HMT guidance, issued in November 2006, requires the Authority to consider the viability of including soft FM services (with the exception of catering) as part of the PFI contract.

In line with the PFS Outlined Business Case guidance, the qualitative VfM assessment has been completed on a single group school assumption. This is because it is assumed that the risk

profiles of each of the schools are broadly similar. The qualitative assessment that has been conducted using the template approach set out in the HM Treasury VfM guidance. For reference a copy of this completed questionnaire has been provided in **Appendix 3**. A summary of the results of the qualitative assessment is provided below.

Viability
The Section 151 officer of the Authority is satisfied that, when considering PFI, suitable long term contracts can be constructed and any strategic or regulatory issues (where applicable) can be overcome.
Desirability
The Section 151 officer of the Authority is satisfied that PFI would bring sufficient benefits that would outweigh the expected higher costs of capital and any other disadvantages.
Achievability
The Section 151 officer of the Authority is satisfied that given an assessment of the market, the Authority's resources and the attractiveness of the proposal to the market, a PFI procurement programme is achievable.
Soft FM
The Section 151 officer of the Authority is satisfied that overall the benefits of including soft services in the PFI contracts will outweigh any additional costs and constraints. The position with regard to school meals will be evaluated during the competitive dialogue process.

Quantitative Assessment

In accordance with HM Treasury VfM guidance a separate quantitative VfM evaluation has been carried out for each Phase of PFI projects. The quantitative evaluation spreadsheets are provided in **Appendix 3**. The PfS standard input assumptions have been used to perform this exercise.

Market awareness

Our soft marketing testing commenced with a market awareness event held on the 6th February 2009. Over 80 delegates attended the event, and a questionnaire was issued to all attendees. Feedback from informal discussions after the event was very positive, **Appendix 31**. Engagement with potential bidders continues with informal telephone and face-to-face discussions. Halton was represented at the 2-day BSEC conference held in Manchester in February 2009, which provided an opportunity to confirm to the market Halton's progress. Our engagement will continue in an informal way until such time as we issue an OJEU notice. A formal bidders day has been scheduled for 10th July 2009.

We are confident that there is bidder interest in our Project, particularly as this will be one of the first Wave 6 Projects to come to market. We understand that some bidders are already putting teams together.

Optimism bias

Optimism bias reflects the tendency for project developers and appraisers to be overly optimistic in their assumptions about the future benefits of a project and to understate the associated capital and operating costs. To redress this tendency, appraisers need to make explicit adjustments for this bias based on empirical evidence and adjusted for the specifics of the project. Optimism bias will reduce as the project specifics are worked up in more detail, being replaced by more project-specific risks.

At this stage, the following adjustments have been applied to the different costs to allow for optimism bias:

Optimism bias percentages – Phases 1, 2 & 3

	Pre-FBC Optimism Bias	Post-FBC Optimism Bias	Total
Capital expenditure			
Lifecycle costs at each lifecycle date			
Operating expenditure			
Transaction costs			

Optimism bias percentages – Pre-FBC Optimism Bias

The pre-FBC optimism bias percentages are in accordance with the PfS VfM guidance note and input assumptions.

Optimism bias percentages – Post-FBC Optimism Bias

XXX

Summary NPVs and Sensitivity Testing

In accordance with the PfS OBC guidance, the following Crude PFI VFM and sensitivity analysis has been undertaken. An IRR level of :

Crude PFI VFM

	Crude PFI VFM
Base Financial VFM Model	%
Lifecycle Cost Sensitivity	
-5%	%
+5%	%
Operating Cost (employment and non-employment) Sensitivity	
-5%	%
+5%	%
Combined Lifecycle and Operating Cost Sensitivity	
-5%	%
+5%	%
	Indifference Point
Capital Cost Indifference Point	%
Unitary Charge Indifference Point	%

Conclusion to PFI VFM Analysis.

XXX

4.3 The Conventional D&B Projects

The Authority acknowledges that conventional D&B contracts are exempt from HM Treasury VFM guidance. Throughout the procurement process the Authority will ensure that the cost of solutions offered by bidders is 'on market'. This will be achieved through a rigorous benchmarking process using internal Council expertise and experience of procuring schools through conventional means and by making use of external technical advisers. This will be confirmed as part of the FBC.

4.4 The ICT Project

As per the VFM assessment on conventional projects, the HM Treasury Guidance on VFM is not applicable to ICT contracts in BSF. To date, schemes in procurement have been able to deliver the ICT solution within the funding envelope. At this stage the PfS ICT funding assumptions have been used to assess the projected costs of the ICT procurement.

Throughout the procurement process the Authority will ensure that the cost of solutions offered by bidders is 'on market' through a rigorous benchmarking process. This will be confirmed as part of the Final Business Case.

ICT Value for Money Assessment

Halton has confirmed the procurement of a LEP to delivery all educational service delivery elements, including ICT. Within this work stream, Halton has assembled a skilled team of Education, Procurement and ICT Officers to ensure that the competitive dialogue is implemented to produce a result for the schools that ensures quality alongside best value.

To date the Council has entered into ICT Soft Market Testing with a wide range of providers; at the soft market testing event held on 4th February 2009, six contractors requested individual ICT meetings; namely, BAM, Hotchief, RM, Serco, Northgate and Liverpool Direct. In these meetings bidders were asked to comment on the high level vision and aspirations of the Halton ICT programme and to draw attention to areas where potential affordability issues may have arisen. No key issues were raised and bidders were satisfied that the vision and requirements of the Halton programme were largely affordable.

The completion of the Affordability Model (**Appendix 7**) has demonstrated that the funding for ICT in both capital and revenue terms is contained within the proposed ceiling values and matches the key outcomes and requirements of the Halton programme. The linking of the individual school strategies for change and the output specification has taken place in an iterative and robust manner to ensure that the stated outcomes that we are seeking to achieve are tangibly matched to the affordability analysis carried out. The e-Schools Forum believes that the Output Specification (**Appendix 2B**) will produce transformation results across all schools following the letting of the contract.

Therefore, within the market assessment, supported analysis from our external advisers and the internal review of what we are seeking to procure, Halton believes we have demonstrated value for money in this investment stream.

5 AFFORDABILITY

Added

The following sections summarise the estimated affordability position for the whole of the Authority’s BSF programme, however the Authority recognises that this OBC will only authorise the release of capital funding for the sample schemes. There is one exception to this in relation to ICT, where we are proposing the drawdown of capital funding to allow the setting up of a data centre as soon as appropriate after financial close and prior to the first schools service commencement date. The exact timing to be determined with the preferred bidder.

To aid clarity, the affordability of the PFI schools, conventional schools and ICT requirements has been assessed separately. This assessment has been performed by comparing the costs of each procurement stream against the funding, both PFI and conventional, which will be allocated by Partnerships for Schools. This reconciles back to the PfS Funding Allocation Model at **Appendix 6** and provides confirmation of agreed exceptional abnormal funding as approved by PfS.

The Authority has then assessed the combined impact on its annual budgets of the procurement streams of the BSF Wave 6 programme.

5.1 The PFI Projects

Estimated PFI charges

This section summarises the key financial information for each of the PFI projects.

Project	Estimated Financial Close date	Estimated Service start date	Estimated Contract end date	NPV of Unitary Charge (discounted @ 6.0875%) £m	Total Unitary Charge (Nominal) £m	Unitary Charge (indicate price base date) £m
Phase 1 The Grange School	December 2010	September 2012				
Phase 2 Chesnut Lodge The Heath Specialist Technology College The Bankfield School	August 2011	September 2013				

This data has been derived from the Shadow Unitary Charge Models developed by the Authority’s financial advisors Grant Thornton. For reference, the individual model names are detailed below:

- Phase 1: Halton BSF Shadow Tariff Model_Phase 1_OBC FINAL
- Phase 2: Halton BSF Shadow Tariff Model_Phase 2_OBC FINAL

The Shadow Unitary Charge Models are included at **Appendix 5** and include details of input costs, funding terms including the swap rate, investment returns, capital contribution and third party income.

Shadow Unitary Charge Models: Sources and Uses of Funds

The sources and uses of funds from the Shadow Unitary Charge Models are summarised below:

	Phase 1	Phase 2
Uses of funds		
Capital expenditure		
Development costs		
Financing charges		
Bank fees		
Capital contribution		
VAT (reclaimed)/paid		
VAT working capital		
Reserve accounts		
Total		
Sources of funds		
Equity		
Subordinated debt		
Senior debt		
Total	24,671	39,298

Estimated PFI credits and Affordability Model.

Level of PFI Credits

The tables below set out the level of PfS funding for the PFI elements of the programme. The PFI credits calculation is based on the PFI credits multiplier provided by PfS, and has been reviewed and agreed with PfS.

The level of credits allocated by PfS based on the allocated funding for the schemes for each Phase. (This will be indicative for non-sample schools as the allocated funding will only be fixed at Stage 1 Approval. Unless exceptional circumstances apply, the only adjustments to the allocated funding between OBC and Stage 1 approval will be for updated location factors (as published by DfES) and updated forecasts of the DTI PUBSEC index.)

Phase	PfS funding at funding start date excluding additional abnormals ¹ £ million	Additional abnormals ² £ million	PFI credits ⁴ £ million	PFI credits multiplier ³ (construction capex less abnormals without life cycle)	PFI credits multiplier (Abnormals without life cycle)
1					
2					
Total					

Notes:

1 In accordance with the FAM provided by PfS to Halton quote version of FAM in use

2 This is the agreed additional abnormal figure of £400k per school at reconciliation date inflated to funding start date for each phase.

3 The multipliers have been provided by PfS (reference for receipt of multipliers)

PFI Annuity Grant

The following assumptions for the PFI Annuity Grant have been used within the Affordability models.

	Phase 1	Phase 2
PFI Annuity Grant Interest Rate		
Scaling factor		
Timing of draw down		

XXX

Timing of drawdown of Grant

Drawdown of the annuity grant has been assumed to be the beginning of operations for all phases.

Affordability Model

An Affordability Model for each Phase has been included in **Appendix 7** to this OBC.

School Contributions

The annual contributions required from PFI schools once the facilities are operational are set out below.

	Required annual school contribution (actual cost basis) ¹ £ million
Phase 1	
Phase 2	
Sub total	

Notes:

1

XXX

Based on the above analysis, it is envisaged that the required schools contributions will be funded through the existing schools delegated budgets or any successor budgets for new schools.

In accordance with PfS OBC guidance, indicative ‘in principle’ governing body resolutions have been supplied by the relevant governing bodies setting out their commitment to make the necessary contributions. These are supplied at **Appendix 9**.

Local Authority Contributions

Based on the PFI credit levels and the schools contributions indicated above, there remains an affordability gap for all PFI schools within Phases 1 and 2. An additional annual Council contribution will therefore be required, detailed in the table below.

	Required annual Council contribution (actual cost basis) £ million 20--/--Base date
Phase 1	
Phase 2	

	Required annual Council contribution (actual cost basis) £ million 20--/--Base date
Total	

The Authority has assessed the affordability gap and is aware of the additional contributions which will be required. The Authority commits to managing and meeting the affordability gap as outlined, and the necessary contributions required from the Authority to meet these commitments are being factored into the Authority's medium- and long-term financial strategy in respect of the Authority's budget.

The Authority proposes to use capital receipts from the sale of surplus sites to reduce this affordability gap which is partly generated by the estimated capital costs exceeding the funding allocation. The retention of the 100% capital receipt has been confirmed in an e-mail from Kevin Crotty on --th February 2009 (attached as **Appendix 9**).

The total capital receipts are estimated to amount to £** million after demolition and asbestos removal costs. Some of the capital receipts will be used to bridge the capital gap in relation to the design and build schemes as set out in **Section 5** below.

It is currently proposed that the remainder could be used as capital injections into the PFI schemes in order to lower the unitary charges and associated Authority contributions. Due to timing of the generation of the capital receipts, it is not considered prudent to assume that a capital receipt can be included in Phase 1.

The Authority has assessed that the most efficient way to use the capital receipts in Phase 2 (whilst meeting HM Treasury requirements) is to make capital contributions into Phase 2 of approximately £* million. These levels are less than 10% of the overall funding requirement in each project. In addition the Authority confirms that the contributions would be structured to mitigate the risk to the Authority, as required by HM Treasury.

An initial indicative estimate of the impact of these capital receipts on the Authority Contributions is set out below:

	Reduced annual Council contribution (actual cost basis) as a result of the Capital Contributions £ million 20--/--Base date
Phase 2	

It should be noted that for prudence at this stage the Authority is committed to bridging the outstanding gap without the use of the capital receipts and a formal member report indicating this is included in **Appendix 9** to this OBC.

The Authority will monitor costs during the development of the project documentation. It is the Authority's intention to disclose affordability information to bidders and be absolutely clear that no further funding is available.

Sensitivity analysis

Xxx

Mitigation Strategies

XXX

The Authority believes it has built up a robust affordability analysis of the PFI schemes and fully understands the underlying costs and funding terms. As such it is aware of where prudent assumptions exist in the models. The key mitigating strategy against pressure on the agreed OBC affordability position will involve:

- ensuring market costs (both for construction and FM but also funding terms) are monitored closely to ensure any upward pressure on costs is identified early;

- remaining on programme and ensuring that the costs of any time delays are identified early, and
- developing an output specification which is aligned with the funding envelope.

5.2 The Conventionally Procured Projects

In accordance with the PfS OBC guidance, a summary of key assumptions in relation to the costs estimates for the conventionally procured schools has been provided at **Appendix 7**.

Capital Cost

This section sets out the estimated construction costs including abnormal costs, as provided by Currie and Brown, and details the allocated funding at Funding Start date for each phase. Note that the allocated funding includes £400k (at Reconciliation Date) of additional abnormal funding per site uplifted to Funding Start.

At Reconciliation Date the capital funding (including additional abnormal funding) totals £***m. This reconciles to the agreed FAM received from PfS (quote reference) funding at Reconciliation Date.

Phase 1

£ million ¹	Construction	Abnormals	Total	Capital Funding)	Capital gap
Wade Deacon High School					
Total					

Note: ¹ Price base date is ***

Phase 3

£ million ¹	Construction	Abnormals	Total	Capital Funding	Capital gap
Ashley School					
Cavendish					
The Bridge					
Halton High School					
St Chad's Catholic High School					
Saints Peter and Paul Catholic College					
Total					

Note: ¹ Price base date is ***

The Authority currently estimates that the capital costs of the Design and Build School exceeds the funding available by approximately £* million. The Authority has some funding flexibility through its retained share of capital receipts from the sale of surplus school sites. Therefore it is proposed that this shortfall will be met through the use of £* million of capital receipts.

Lifecycle/Hard FM costs

The estimated Lifecycle, Hard and Soft FM costs for each phase of the conventionally funded schools are set out below. These are the Authority's technical advisers' estimates of costs based on a PFI equivalent output specification. It should be noted that no third party income is assumed in any of the Phases.

Phase 1

£ million	Average annual lifecycle	Annual Hard FM	Annual Soft FM	Utilities
Wade Deacon High School				
Total				

Note: ¹ Price base date is ***

Phase 3

£ million	Average annual lifecycle	Annual Hard FM	Annual Soft FM	Utilities
Ashley School				
Cavendish				
The Bridge				
Halton High School				
St Chad's Catholic High School				
Saints Peter and Paul Catholic College				
Total				

Note: ¹ Price base date is ***

In formulating the FM proposal across the Estate there have been a number of discussions at the Authority BSF Board level to determine the realistic options for PFI and D&B. Meetings with school Bursars, Governors and the Headteachers have also taken place to assess the appetite and possible configurations of services that will benefit the Schools. This is to negate as much as possible the risk of a two-tier estate developing in the future and to ensure the refurbished and remodelled facilities are maintained to a similar standard as the PFI facilities.

- The PFI contracts will adopt the traditional PFI approach to FM and Lifecycle with all Hard and Soft FM services and lifecycle costs being the responsibility of the, with the exception of catering.
- Halton intends to avoid a “two tier” approach to FM Services and Lifecycle for PFI and D&B schools, however it is acknowledged that this provides some considerable challenges in terms of affordability. The approach therefore has been for individual schools to continue to be responsible for ‘Soft FM’ services within their schools, and for the LEP to be responsible for the management of Hard FM and Lifecycle within the given affordability constraints.
- Indicative ‘in principle’ agreement letters have been supplied by the relevant governing bodies setting out their intention to meet the minimum required expenditure to maintain their premises at the same level as the PFI schools. These letters are included at **Appendix 9** to this OBC.

5.3 ICT projects

Introduction

This section, which accompanies the completed BECTA models and analysis, describes the methodology used to arrive at the financial affordability figures in support of the ICT solution. It also seeks to set out and articulates the key assumptions made on assessing what is required in the output specification.

Halton Borough Council, through its existing ICT Schools Forum, supported by Navigant Consulting, has carried out a robust exercise to establish the capital and revenue costs of the ICT project. This has involved modelling the sustainability of the programme over a 5-year programme, where the need to consider sustainability and refresh funding has been factored in. It also takes account of the phased entry to the ICT contract as school buildings are complete and of providing targeted support for innovation and further investment in a revised wide-area network solution to deliver a faster, more resilient network across the Halton education estate.

The programme of schools in Halton is a complex mix of smaller, specialist units with elements of co-location within or alongside larger traditional secondary schools. With almost half of the current schools in the Halton BSF programme comprising a student cohort of less than 150 pupils, there is a requirement to balance when large and small schools enter into the BSF contract and wider programme.

As such, the model that has been employed to assess affordability and to reflect the priorities of the individual schools and the central programme team is an inherently conservative model and deliberately excludes:

- Harnessing technology funding; and
- Existing grant funding contributions.

This has been deliberately constructed to accommodate a key concern over the affordability of any long-term contract given the anticipated spending review and negative impact on school budgets in 2010. To offset this, we have therefore assumed that the BSF funding and per pupil contributions from schools is sufficient to meet the needs of the programme. As clarity around these funding streams is derived in the 2010-11 budgetary cycle, this position will need to be amended to more accurately reflect this impact on school contributions and the overall shape and structure of how the Authority manages the draw down of funding on a per-school project level.

Finally, in order to demonstrate that the programme is looking to extend and maintain this capital investment in ICT in Halton schools, we have created innovation support and centrally held refresh funds to ensure that the schools who are not in the programme for four or more years are no disadvantaged and are able to plan around some capital support for their investments in technology. By doing this and by modelling flexible funding structures to support the shape and nature of the Halton BSF programme, we demonstrate an affordable and above all transformational funding programme for this BSF scheme.

A summary of these models is included in the table below and the full ICT cost model is available in **Appendix 23**.

Methodology

Source Data

Navigant Consulting have a series of cost models from closed BSF schemes nationally which we have aggregated to form a benchmarked database of values in providing ICT solutions to a variety of schemes and schools. We draw on this database to provide predicative values for what schools of a certain size and complexity will require in funding terms and extrapolate these figures out across the duration of the contract. This set of values is underpinned by the total cost of ownership and per-technology category of spending for the last three years for each school. This analysis is being provided by each of the schools. Together, these produce the per-school cost and investment profiling that forms the basis for evaluating the output specification in terms of affordability.

In seeking to define the appropriate levels of per-school contributions, we have selected a value of £200.00 per pupil, per annum from each school. This is based on the comparable values of BSF schemes closed to date and includes those currently at preferred bidder or about to enter the market. From this, we are able to match the capital and revenue aspects of the funding structure to the outcomes and standard solution components provided in the **Partnerships for Schools / Avail BSF OBC ICT Financial Affordability Report v1.0, dated 24.04.2008**.

Process

The categories in the BECTA model are standardised across the headline activity areas within any BSF ICT solution and procurement. However, each Authority and BSF programme will find slightly different models and mechanisms by which the component elements of their final solutions

are articulated. We have therefore recompiled the data contained in the source models to match these headline solution areas, which means that we have taken decisions around some areas that contain both capital and revenue funding within single line items.

In terms of approaching the data, we split the TCO data provided by schools into small (<250 pupils), medium (>251-999) and large (>1000) pupil sites and then calculated the total funding for the ICT project based on the standard BSF funding allocation of £1675.00 per pupil with an assumed per pupil, per annum contribution of £200.00.

We then multiplied these values against the per pupil costs derived from Navigant source models to come up with a 5 year, combined model that represents a robust and reasonable model that will match 90% of the ICT solution we would expect to see presented to the Authority in the course of the procurement.

Using this model and the metrics described above, the overall position for the Halton ICT programme is affordable. Although the overall Halton programme is challenged by the high number of smaller facilities within the programme, 5 of the 12 schools are sub-250 in size, most of these will be co-located with larger secondary units. The standard form model does not allow for this to be reflected, each school is retained as a separate funding project, where in reality co-locating affords economies of scale and purchasing. It is our view that by not taking into consideration these programmatic impacts at this stage, we afford a measure of protection to the wider ICT programme and would anticipate bidders demonstrating advantageous outcomes as a result of the school reorganisation process.

Finally, the current FAM and planned build programme are modelled to demonstrate when schools enter the full managed service and how this impacts on their ability to contribute fully to the revenue fund in support of the managed service. This is demonstrated in **Appendix 24**. Changes to the build programme or sequencing of when larger schools come into the programme will have a material impact on the affordability position and we will monitor this situation to ensure that the affordability position is clearly defined throughout procurement.

Working Model Assumptions

In order to validate and provide clarity around how we have arrived at the final affordability position, the following headline assumptions were made. In the submitted models, there are further assumptions listed against the data entry fields. This high level assumption list is to ensure that the overall approach and methodology is clear:

- That access control, cashless catering, performance lighting, CCTV and related technologies are included in the FF+E budget and therefore do not reside within the ICT capital or revenue contributions;
- That the inclusion of the £225.00 infrastructure fund within the ICT affordability model is appropriate given our treatment of this as both a revenue and cost – as it is a stated intention of the programme to maintain transparency over the allocation of these funds throughout and post-procurement;
- That the funding allocations for the Halton BSF programme are predicated on 9,318 pupils (numbers on roll) presented in the FAM and that this figure will not be materially revised during the course of this procurement;
- That the per pupil contribution from the schools of £200.00 per annum is set at a reasonable point for a scheme of this size and aligned with the development of similar, later wave schemes;
- That the spend-profile we have adopted (5 year contract) is appropriate given the absence of a finalised build programme;
- That logical steps contained within the BECTA / Avail model are uncontested – as this is a standardised tool for use across the BSF programme nationally;
- That the TCO data provided by schools is as accurate as can be reasonable achieved at this stage and that further work to provide greater accuracy would not materially impact on the affordability position as it currently stands;
- That there are no other funding or revenue streams that are to be associated with the ICT project in this BSF programme – i.e. that the BSF funding allocation and supported revenue per pupil is required to meet 100% of the ICT investment; and

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- That the solutions that are returned to Halton in the course of the procurement will follow the standard shape and overall content that have been evidenced in the BSF programme to date.

BSF Capital and Revenue Expenditure

Income		
BSF Capital	£13,511,100	£1450 x 9,318 pupils
Infrastructure Fund	£2,095,875	£225 x 9,318 pupils
Total Capital Fund	£15,606,975	
Opex	£7,897,050	£200pppa – at full service commencement only.
Total ICT Fund	£23,504,025	
Expenditure		Per pupil allocation
Change Management	£1,200,000	£129
Data Centre	£1,550,000	£166
Institutional Infrastructure	£3,196,550	£343
Legacy Integration	£500,000	£54
Local Choice / Support for Specialisms	£3,600,000	£386
Network Services	£856,416	£92
Server and Applications Software	£1,636,013	£176
User Equipment	£0.00	£0
Innovation Support	£500,000	£54
Wide Area Network	£500,000	£54
Refresh	£2,021,022	£216
Capital Expenditure	£15,560,001	£1,670
Variance	£46,974	£5
Modelled Revenue Expenditure	£7,432,601	
TOTAL EXPENDITURE	£22,963,956	
Affordability Variance	£540,744	2% Contingency

The Cost Model includes a provision for technology refresh and an innovation fund.

The refresh funding is based on the 13% allocation from BSF ICT Capital funds, within the refresh programme we will seek to re-evaluate our educational transformation aspirations in order to ensure that technology refresh is in line with will meet our education outcomes and needs. The innovation support fund is a local authority-held fund which will allow us to work with the service provider to experiment in new technology for teaching and learning in order to ensure that refresh and local choice funding is being used to the best advantage. These funds are deliberately set apart from the Local Choice Funds to ensure that the horizon scanning and sustainability levels of support remain funded throughout the lifetime of the contract. To this effect, there is a small

contingency fund included in the model to provide some hedge against the current market and financial turmoil.

We would anticipate that through dialogue, these areas would be further tested with bidders and the MSP to gauge what levels of investment are required to achieve our stated aims of ensuring the legacy of this once in a generation injection of capital is not lost for future cohorts of learners.

ICT Conclusion

On the basis of the analysis undertaken and the requirements of the output specification, the modelled scenario demonstrates an affordable and sustainable ICT programme. We further believe the models attached provide sufficient flex to explore further scenarios with Halton and schools as required or in response to challenge or queries from other sources.

The signed letters from governors are attached at **Appendix 9**.

5.4 LE investment in the LEP

Through our BSF procurement, we will look to select a LEP partner who will provide the specific Partnering Services included within this OBC and supporting documentation. We envisage that the LEP's scope of exclusivity will extend to the secondary school estate, with potential opportunities for other major capital projects such as leisure facilities, primary schools and community and social care accommodation to be delivered as Additional Services. The LEP will be developed to cover both Halton and Warrington BSF Programmes. Although, it is not intended that the LEP will provide any direct educational or other support services such as teaching or administration support for BSF schools. The draft OJEU notice set out at **Appendix 10** reflects the above.

Both Authorities are committed to the provision of an ICT managed service developed and delivered through the LEP.

The Authorities recognise that the LEP will deliver hard FM services to all schools. In addition, the LEP will also provide soft FM services to the PFI Schools comprising caretaking, cleaning, grounds maintenance, security, waste management, pest control, portage, helpdesk facilities, utilities & energy (excluding rates which will remain the responsibility of the school), health & safety and third party use.

The Authorities will be adopting the standard BSF Local Education Partnership ("LEP") structure developed by PfS. Under this structure the Local Authorities are required to be a 10% shareholder in the LEP (5% from each of the two councils) alongside PfS (10% investment) and the chosen private sector partner (80% investment).

The Authorities are aware that it may be required to make a contribution for the LEP working capital facility. This depends on the bidder's approach and will be reviewed at the IPD stage of the procurement. PfS has estimated that the LEP investment level required by Local Authorities in a typically sized BSF scheme will be in the range of £120,000 to £280,000. The Authorities have budgeted for this element of investment.

The Authorities recognises that circumstances may arise in the future where it will have the option, together with the other shareholders, to make additional investments in the LEP. The Authorities understands that as investors in the company, they will have a choice in these circumstances whether or not to make a pro-rata investment, and that where the Authorities choose not to so invest that their proportional shareholding will decrease vis-à-vis the other shareholders. The Authorities will assess whether to accept this erosion of its shareholding if the issue arises in the future.

Under the standard LEP contractual structure, the LEP has a requirement to make an investment into PFI projects established for the BSF scheme. This investment will be 51% of the shares in the PFI (through the PFI Credits) and 10% of the total equity investment (equity and subordinated debt) required in the PFI projects. This investment will be provided by the LEP shareholders and is in addition to the working capital sums indicated above.

The level and timing of these investments will depend on the number and size of the PFI schemes in the Halton BSF Programme. Initial estimates indicate that the overall equity investment

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required to be made by the Authorities for its share of the LEP PFI equity investment will be as follows:

	Required investment in the PFI £000	Timing of payment
Phase 1		
Phase 2		
Phase 3		
All Warrington schools will be included in a separate OBC		

- The Authorities understand the quantum of the required commitment regarding the LEP and PFI investments. The Authorities are also aware that they have an option to invest its share of the direct equity plus subordinated debt investment into the PFI schemes. The decision in relation to whether to make this investment will be made on a scheme by scheme basis when each PFI project is being developed. Currently Halton is proposing to fund the LEP set up costs with Warrington but is not seeking direct investment in the PFI Company.

5.5 Other sources of funding

Primary Capital Programme

It has been assumed that £6.5 million Primary Capital will be available for the development of The Grange All Through School.

Capital Receipts

The Authority believes that additional funding can be made available to the Project through the use of capital receipts, which will be generated from the sale of land which will be surplus to requirements. The use of these capital receipts is detailed above.

For reference, a summary of the proposed capital receipts is shown below:

	Valuation/Price £ million	Valuation/Price date
Chesnut Lodge	£264,032 £521,591 £785,623	Playing fields area School site area Total School site area
Ashley School	£461,845	School site area
Part of the Grange Site	£1,196,930	School site area total
Grand Total	£2,444,398	

** Figures in brackets refer to the deduction of asbestos removal (@23.34/m²) and demolition costs (@30.55/m²)*

The Authority will be required to ring fence the capital receipts from the disposal of the above two sites to the BSF project. This principle was agreed by Executive Boardt on ***.

The Authority has considered the likely timing for the realisation of the capital receipts (see above table) and the impact, from a Treasury management perspective, of the requirement that the Authority will need to fund the affordability gap before the receipts are realised. The Authority understands and accepts the financial consequences of this. However it has phased the use of the capital receipts in Phases 2 and 3 to minimise the risk in relation to the timing of realisation of the receipts.

5.6 Affordability - Concluding Summary

The Authority has assessed the affordability of the Programme as a whole. It has evaluated the costs of the PFI, Conventional and ICT procurement.

Based on the analysis conducted above, Halton are aware of its financial obligations under each of the Phases. The Authority has assessed the overall level of funding available and the costs of each procurement route. Having made this assessment, the Authority is confident any capital or revenue funding gaps can be filled and that the Programme as a whole is affordable.

Executive Board report covering the assessment of affordability and resolutions approving the budget strategy are included at **Appendix 9** to the OBC. A letter from the S151 Officer is set out at **Appendix 9**.

5.7 Accounting treatment

As part of the OBC development, Grant Thornton have prepared an initial accounting treatment paper for the PFI schools based on the standard contract. A copy of the paper is included in **Appendix 8** to this OBC. The Authority's auditors, the Audit Commission, have provided an accounting opinion for the BSF programme which is also included at **Appendix 8**.

6 READINESS TO DELIVER

6.1 Programme Management

The Programme Management Structure

We have strong capacity to deliver BSF. Our Programme Director has previously led BSF in another authority and is an experienced Gateway Reviewer for BSF programmes. Our Universal Learning Services is providing strong support to all schools throughout the visioning process. We are in regular dialogue with all schools, FE colleges, governors and members, to ensure that all key stakeholders remain committed to the BSF process.

The following sections detail the key post holders roles and the project management structure.

Senior Responsible Officer (SRO)

The SRO is David Parr who is the Chief Executive of the Authority, he will ensure that the programme is strategically on track and help resolve issues, be involved in key negotiation meetings, and be responsible for promoting the programme with members, stakeholders and other external bodies. Due to the size of the Council, some of this responsibility will be delegated to Gerald Meehan the Strategic Director in Children and Young People directorate who will generally support the Programme Director and Programme Sponsor.

Programme Sponsor

Ann McIntyre will be the Programme Sponsor, she will be the senior officer in Children and Young People directorate who will generally support the Programme Director, be involved in key negotiation meetings, and be responsible for promoting the programme with members, stakeholders and other external bodies.

Programme Director

Daniel Hennessy is the named individual responsible for the day-to-day detailed management of the programme and will provide the interface between the Strategic, Programme Boards and the supply side of the programme team.

BSF Strategic Board - Sets and champions overall strategic direction and vision

Due to the importance of BSF to the Authority and its cross cutting nature the Senior Responsible Officer is the Chief Executive. The Chief Executive leads the BSF Strategic Board. The role of the Board is to provide the strategic steer for the Building Schools for the Future programme in Halton. The Board includes representation from a wide range of stakeholders to ensure that the programme is firmly embedded in the regeneration and renewal of Borough. The Strategic Board will report to Members as appropriate.

Members Advisory Working Group

The objectives are to:

- To provide a forum for the frank interchange of views between Cross Party Member and Officers on matters relating to Building Schools for the Future
- To jointly, consult, develop and support the delivery of the BSF strategy.
- To provide a means of developing and improving the communication process between members on BSF matters

The Group is free to discuss all matters relating to BSF, to make cross party recommendations for BSF to the Strategic Programme board and Executive Board of the Council.

BSF Programme Board

The role of the Programme Board is to ensure that the BSF Programme is delivered effectively and efficiently. The Programme Board will ensure an internal focus to the work on BSF and provide an effective means for ensuring progress according to the timetable. The Programme Board will report to the quarterly meetings of the Strategic Board.

The remit of the Programme Board will include:

- Manage and drive progress of the programme, directing the delivery team
- Ensure co-ordination across all strategic programmes
- Inform and support the Strategic Board
- Approve and sign off strategic documentation, e.g. Strategy for Change and Outline Business Case
- Approval of procurement, advisor and other professional fees
- Advise on and ensure critical risk management
- Facilitate audit, progress monitoring and inspection processes
- Approve the appointment of advisors and other consultants

The meeting is held monthly and is chair by Gerald Meehan, Strategic Director of Children and Young People. Membership includes representative from: Children and Young People Directorate, Planning and Resources, Accountancy, ICT, Universal Services, Press and Public Relations, Regeneration, Extended Schools, Personnel, Legal, Organisational Development and Human Resources, Environmental and Regulatory Services, Risk and Emergency Planning, Property, 14 – 19 Strategy Manager, Information and Communication, Finance & Resources and SEN

Delivery Team

The Delivery Team is responsible for the day-to-day delivery of the Building Schools for the Future programme. The Delivery Team reports to the Programme Board through the Programme Director or Programme Sponsor providing regular monthly reports on progress. Lead officers of the Delivery Team will be responsible for the delivery of a specific workstream within the programme as a whole. Leads will report back to the Programme Director on a regular basis on progress within their workstream. This team will ensure that BSF is fully embedded in all aspects of the work of the Authority.

Programme Stakeholders Groups & Service User Groups

Halton has considered the resource needed to deliver the BSF Programme with Executive Board, Head teachers and Senior Managers within the Authority. There is a commitment to support the BSF programme. This commitment is demonstrated by the readiness of corporate services to support delivery teams and the programme boards.

Workstreams have been identified in all key areas and Lead Officers appointed from across the Authority. Additional revenue has been secured to ensure successful programme delivery.

In addition to the internal Delivery Team, a range of external consultants have been commissioned to complement the programme delivery in the specialist areas of Technical, Legal, Finance, Educational Transformation and ICT.

As part of the tactical plan for communicating with our stakeholders, we have set out details of anticipated meetings, progress of the consultation in the communication plan. Key stakeholders which include the following:

- Trade Unions & School staff through the Joint working group and the monthly communication
- Secondary and Special Headteachers (meetings every two weeks,
- Governing bodies via governor new letters and special meetings,
- Diocesan Members liaison meeting,
- Elected Members via members forums,
- Children and Young People via the web site,

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- Council staff via the web site,
- Riverside College via the 14 to 19 partnership,
- Parents via newsletters,
- Children’s Trust via briefing,
- Youth Council via briefing,

External partner agencies and our wider external education partners are drawn into the process in a number of ways:

- The Strategic Board includes representation from key external partners including the LSC, Connexions and Catholic Diocese which represents the voluntary aided schools in the programme.
- Other external education partners are drawn into the process through our 14-19 Partnership.
- We continue to send regular updates to our progress to the Children’s Trust. Sport England and the County Sport Partnership are drawn into the process through our BSF PE, Sports and Culture PE Stakeholder Group.

The objectives of BSF envisage a transformation of teaching and learning. It is important therefore that Headteachers are fully engaged in management structure. Headteachers meeting fortnightly and BSF is a regular agenda item of these meetings.

Resources - Internal

To give confidence it is important to clarify roles going forward. From April 2009 the BSF Delivery Team will comprise a minimum of the following roles.

Role	Responsible for
Programme Sponsor and Design Champion Ann McIntyre – Executive Director, Children Schools & Families	Responsible for ownership of project
BSF Programme Director Daniel Hennessy	Responsible for the project direction and strategy including the interface with DCSF, PFS, Programme Board and Members of the Authority and for commercial negotiations. Overall responsible for the co-ordination of the Halton and Warrington Schemes
Transformation/ Change Management Lead Judith Kirk	Champion transformation through improvements in pupil performance and change management maximising the benefits of ICT investment
Halton Programme Manager Katrina Hall & Mike Woods (Interim Job share)	Co-ordination of other advisers, responsible for taking through the PFI elements of the Halton BSF Project. We are currently recruiting for a permanent employee for this position.
Warrington Programme Manager Hillary Smith	Co-ordination of other advisers, responsible for taking through the PFI elements of the Warrington BSF Project
Project Managers TBA	A small team of officers who will support Schools and the wider team with BSF design development
Financial Lead Naheem Shafiq	An accountant currently working corporately is allocated to support all financial aspects of the Project and to support the interface with our external financial advisers
Legal & Commercial Lead David Swallow	A lawyer currently working corporately is allocated to support the Team on all site issues but to also work on

	the development of the LEP and to support the interface with our external legal advisers. This person will support the Project Director in contract negotiations and deal with PfS on all commercial matters.
Planning Lead Catriona Gallimore	Provides an overview of BSF schemes, to interface with our external technical advisers
TUPE and personnel Lead Simon Bellard	HR professional leads on the workforce policy and transfer issues
Communications Lead Catriona Gallimore liaising via Andrea Heasman	An officer responsible for ensuring management and delivery of the BSF communications strategy
Monitoring and Evaluation Team (Client Services) TBA	A small established team of officers responsible for evaluating bidder submissions and, in the longer term, monitoring the performance of the LEP once established
Administration Jill Johnson	Coordination of meetings, agendas and minutes, document distribution/storage, project timetable, telephone and other support

The focus of the BSF delivery team is shifting from consultation/development of strategic documentation to procurement which will change requirements.

As we approach financial close it will be necessary to adjust the role and size of the team to reflect the developing relationship with the LEP. Whilst the original project team will be slimmed down to reflect the completion of the negotiations to establish the LEP, there will be an ongoing role for the core team in securing the approvals to, and delivery of, the non-sample schemes both in terms of initial design development/outline planning consents (where required) and the FBC process for each phase, with an increasing role for the Client Services team in monitoring contract performance/compliance and developing the relationship with the LEP.

The BSF organisational chart is included as **Appendix 15**.

Resources - External

The BSF Delivery Team is supplemented by external advisers as required.

We have appointed:

- Beachcroft as legal advisors,
- Grant Thornton as financial advisors,
- Mouchel as Education Advisor,
- Navigant as ICT Advisor and
- Currie and Brown as Technical Advisors and Client Design Advisor.

All of these firms are well established advisors in the wider BSF national programme. The concurrent appointment of Mouchel, Navigant and Currie and Brown ensured that schools have access to both internal and external technical expertise to stimulate thinking on how facilities and ICT will influence and support 21st century teaching and learning.

A risk register is provided in **Appendix 4** and all advisors input into this register. All advisors are well versed in the active management of key risk across the programme and are tasked with maintaining and owning their subset of the overall risk register.

The ICT, TA and EA consultants are also assisting the Authority to refine its plans for a managed service and are working schools and other key stakeholders in a programme of workshops and interventions to support the development of innovation and best practice and to explore the “art of possible” with schools. The Specialist Insurance Advisor, NAME, have

also been appointed to assist with the production of the procurement documents. All our external advisors are closely managed to ensure we achieve the right balance between external and in-house work.

In addition, the Authority is receiving support from a Commission for Architecture and the Built Environment Enabler (CABE Enabler), our advisor is Sue Williams. We have had several meetings with Sport England who have provided feedback and advice during our design development.

Halton have instigated a number of training sessions for the BSF team, members of the workstreams and Lead Officers of the Authority. The training sessions held include presentations and the 4Ps Expert Client Programme (ECP); Module 1 was conducted on 16th September 2008 and Module 2 was conducted on 27th November 2008.

Further resources are deployed as necessary on an *ad hoc* basis from other Authority teams, for example regeneration, highways, sustainability and facilities management will all provide additional officer support at key stages in the project.

Budgets

The Authority agrees an annual programme of expenditure to support BSF. The Executive board on DATE agreed the internal & external resources required to take the programme through to 31st March 2010. The Executive board also confirmed its commitment to fund the BSF Programme up to financial close (February 2011) and, beyond this, through the life of the LEP. The Executive board extract, together with a more detailed Resource Plan outlining the resources committed to BSF for 2009/10 and 2010/11 is set out at **Appendix 9**. The team structure also set out at **Appendix 16** is fully funded through the resources identified in the Resource Plan.

There are different levels of accountability in terms of management of BSF budgets. The BSF Programme Director is responsible for controlling expenditure on staff and resources (including external adviser costs), reporting as necessary to the Programme Board. The Authority has a robust system of monitoring and control of budgets with exception reporting. This means that there are early warnings of any projected overspends/underspends. The Programme Team works closely with external advisers with a Lead Officer managing the relationship for each contract, to ensure that the work undertaken by advisers continues to meet Authority requirements, deadlines and remains within the allocated budget.

An updated scheme of delegation was agreed by Executive Board on DATE and is set out at **Appendix 9**.

Programme Initiation Document (PID) and Risk Management

The programme has been developed using a programme management methodology with a programme initiation document. This PID is a live document and is reviewed and updated regularly. The PID details the project governance, management structures, roles and responsibilities and includes: a programme structure organogram, an indicative project plan through to financial close, the budget for the procurement process, the resource approvals, the risk log, and dash board reporting system. The PID and associated control documents, i.e. Risk Register, Programme Plan and Dashboard are being maintained by the Delivery Team and are presented to all Board meetings by the Programme Director. All risks are given a “RAG” status and only the red or most important risks are reported to the board including the direction of travel. Risk management is seen as a key activity for a program of this size and its successful delivery. A summary of the Risk Register is in **Appendix 4** and the Programme plan in **Appendix 21**.

The key areas of risk can be summarised as:

- Affordability
- Deliverability
- Timetable slippage

- Market interest

A Gateway 0 review was conducted by 4Ps in January 2008, part of this review considered the Authorities delivery team and the skills need to delivery the programme. The review found that “there is a clear strategic justification for the Halton BSF programme” they were “impressed with the commitment and enthusiasm of all the stakeholders involved in the review” and “found an exemplary approach to stakeholder consultation and engagement, resulting in a high degree of support for the BSF programme”. A Gateway 1 review was conducted early April 2009.

6.2 Procurement Process

At its meeting on 13 November 2008 and on the 9 April 2009 Halton’s Executive Board agreed that it would procure a Local Education Partnership (LEP). This will include procuring an integrated managed service to deliver ICT to schools. This approach was discussed in detail at the BSF Strategic Board – see paper dated 14 October 2008 see **Appendix 9**.

At its meeting on DATE Warrington’s Executive Board agreed that it would procure a Local Education Partnership (LEP) jointly with Halton. This will include procuring an integrated managed service to deliver ICT to schools see **Appendix 9**.

All procurement documentation has been completed in line with Partnership for Schools (Pfs) standard documentation and has been submitted along with this OBC.

Programme Plan

Halton’s Programme Plan is based on the standard Pfs timetable and anticipates that the LEP will be established, and that construction will start on the two sample schemes, from Spring 2011. An outline Programme Plan is provided in **Appendix 21**.

We expect to issue the OJEU for our BSF Programme by July 2009. A copy of the draft OJEU is attached at **Appendix 10**. The Authority understands that the OJEU must be approved by Partnerships for Schools prior to issue.

LEP description

Our European procurement offering is to be based on the PFS standard LEP model approach, for a range of partnering services to include:

- Exclusivity for a LEP partner to deliver partnering services for a strategic investment programme under a 10 year contract for the delivery of education facilities;
- A Private Finance Initiative (PFI) new build sample project for The Grange School
- A Design & Build (D&B) refurbishment/re-modelling project for Wade Deacon High school
- An ICT Managed Services contract to include those services covered by the ICT Output Specification
 - Insert headline of Spec
- The PFI contracts will adopt the traditional PFI approach to FM and Lifecycle with all Hard and Soft FM services and lifecycle costs being the responsibility of the, with the exception of catering.
- Halton intends to avoid a “two tier” approach to FM Services and Lifecycle for PFI and D&B schools, however it is acknowledged that this provides some considerable challenges in terms of affordability. The approach therefore has been for individual schools to continue to be responsible for ‘Soft FM’ services within their schools, and for the LEP to be responsible for the management of Hard FM and Lifecycle within the

given affordability constraints. The D & B Contracts will provide a full Hard FM service including life cycle. Schools will retain the ability to procure all other soft services through a direct arrangement. Similar to the ICT contact their will be an amount of local choice regarding day to day repairs and maintenance but within specific parameters set out in the contract arrangements.

- Their will be and option for D&B schools to buy into the LEPs "soft" FM services
- The opportunity to deliver education facilities on a non-exclusive basis outside the scope of the main BSF funded programme (including, but not restricted to, the primary capital programme)
- The OJEU also considers wider scope of service that the LEP can deliver into the future, see **Appendix 10**.

LEP Selection and Evaluation Panels

The Authority has a programme team with experience of evaluating and selecting a preferred bidder for a major schools project. Building on the good practice used in this evaluation, together with lessons learned from this and other major procurements (e.g. Grouped Schools PFI Project, NHS LIFT), our evaluation and selection methodology for BSF is outlined below.

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It is the Authority's intention to buy in some contract evaluation software to secure a consistent approach to evaluation and provide a robust audit trail. The evaluation process will be further scrutinised by the Authority's audit team to ensure transparency.

A 3-day Gateway 1 review took place on 7-9 April 2009.

6.3 Consultation and Statutory Approvals

Delegated Authority

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Planning and Highways

Planning and technical work associated with the OBC has been undertaken by the BSF delivery team in consultation with schools and the Authority's advisers. Currie and Brown, the Authority's Technical Advisers have commissioned Alan Davies to do the design work and act as the Client Design Adviser, but they have been supported by the CABE enabler (Sue Williams), and the PFS Design Manager (Chris Terry).

We have fully engaged and consulted with Planning and Highways officers at each key milestone stage, and these meetings will continue throughout the procurement process. We have identified specific officers in both Planning and Highways as key contacts, these are: Phil Watts (Planning), Mick Noone (Highways).

Consultation of the Office of School Commissioner

The level of consultation and approval by Office of the School Commissioner and the decision maker in a school organisation process where applicable. Full SOC approval, if required, must be secured for all Sample Schemes and evidence included at Appendix 9;

School	Statutory consultation – latest update

Planning Approval

The strategy followed for the Planning Requirements is in accordance with the Supplementary Clarification (1) on OBC Guidance, V2 (Issued November 2008). This approach is fully supported by senior officials of the Authority including the Operational Director for Environmental & Regulatory Services.

A Local Planning Authority Approved Detailed Planning Brief (ie Level 1(a) as defined in Section 1.5.1 of the Supplementary Clarification (1)) has been developed for all sites, including the sample schools. This is contained within a single document with the Authority-wide Policies and other criteria that will apply to all sites are included in a General section, and separate Appendices covering all other relevant aspects for individual sites. A full copy of the Planning Briefs submitted is provided in **Appendix 27**.

The document was presented by the Director for Environmental & Regulatory Services to the Development Control Committee on 16 March 2009 and adopted for Development Control purposes.

Surveys

The warrantee surveys commissioned are listed in **Appendix 26**.

Sport England

There has been close and regular contact with Sport England and two meetings have been held to discuss options as they develop and to re-assure that overall, the Sporting facilities in Halton Borough Council are going to be significantly improved when the BSF programme is complete. These meetings have been attended by our Technical Advisers and Halton Borough Council's Programme Director and Sports development Manager. Through discussion and dialogue, it has been established that Sport England does not, at present, have any objections to the proposed developments at sites within Halton which are to be retained and developed. (See **Appendix 9** for letter)

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6.4 Sponsor and School Commitment

Stakeholder Consultation

At the core of Halton's BSF programme is Consultation and collaboration. Halton believe that effective stakeholder management is a vital success factor in the delivery of a transformation therefore it has established strong links with its stakeholders. The complex nature of BSF means that there are many and varied stakeholder groups both internal to the client organisation and external to it. We have undertaken a stakeholder analysis and our communication plan outlines the key messages and engagement processes associated with each stakeholder group. Regular consultation and development meetings are ongoing and will continue throughout the BSF programme, with all of the stakeholder groups and work streams. Regular meetings, publications and updates are and will continue to be provided to all stakeholders to both inform and gaining feedback. The mechanisms for BSF consultation

has been established, Halton is committed to a continual process of dialogue with all stakeholders. Our consultation to date has been described as exemplar practice by the Gateway Team and the DCSF. A copy of the plan can be found in **Appendix 19**. This plan will continue to be revised and updated throughout the lifetime of the programme.

All communication demonstrates the role of the BSF programme at the heart of local regeneration and highlights its educational benefits. Specific communications activities that have been undertaken to date, or are planned include:

- The establishment of a extranet portal (e-box) for use by the programme team, a range of stakeholders and longer term, by bidders for access to and exchange of information
- Monthly briefings to Chairs of Governors
- Bi-monthly meeting with all Headteachers dedicated to BSF
- Learners' involvement has and will be vital to the success of BSF as a transformational Programme. To date Halton has engaged with learners to ensure their views are incorporated in our planning. Plans are underway to commission the Sorrel Foundation to carry out a series of workshops with it learners to consider the design principles that will be used in the competitive dialogue process.
- Milestone updates to Elected members through the Members briefing sessions
- Circulation of workforce issues to all schools agreed with all Trade Unions
- Regular update of the BSF website on the Halton website
- A workshop programme for key stakeholder including Elected Members, Headteachers and Governors, with sessions covering subjects as diverse as transforming the curriculum to understanding PFI.
- A BSF programme has used the Authority wide publication to promote BSF these have been circulated to every household in Halton.

We are committed to ensuring that stakeholders, including the wider education sector (FE and primary schools) are fully engaged in the development of the BSF transformation programme. To facilitate this engagement a number of multi-agency thematic working groups will be established. Each of these groups is chaired by a member of the BSF Programme Team.

There is a broad representation on the Programme Board from other internal Authority services including Development Control, Property Services and ICT and Performance Management and external partner agencies. Internally, we continue to work closely with services including Highways, Property Services, Planning Legal and Estates who are actively involved in various work streams for the programme.

- External partner agencies and our wider external education partners are drawn into the process in a number of ways:
- The Strategic Board includes representation from key external partners including the LSC, Connexions and Catholic Diocese which represents the voluntary aided schools in the programme.
- Other external education partners are drawn into the process through our 14-19 Partnership.
- We continue to send regular updates to our progress to the Children's Trust. Sport England and the County Sport Partnership are drawn into the process through our BSF PE, Sports and Culture PE Stakeholder Group. Please see our case study on the PFS website (http://www.partnershipsforschools.org.uk/library/Sport_CS.jsp)
- We are currently in the process of a series of school and stakeholder events to raise awareness of the programme requirements and the volume of activities and effort required from each stakeholder group to meet the demands of this procurement. In the ICT work-stream, we have a series of planned workshops and events to offer opportunities engage with schools, learners and teaching professionals and will be seeking to hold a series of events where the wider community can be engaged into the process. We are also publishing a monthly newsletter focussing solely on the ICT related element of the BSF programme which will be made available to each of the schools as well as hosted on the HBC website.

Sport England are an active member of the PE, Sport and Culture Group to ensure that the BSF investment will provide the opportunity for the development of a holistic Authority approach to Culture and Sporting facilities. Communication with the Dioceses is maintained through regular formal meetings hosted supplemented by programme of meetings between the estate officers from both Children's Services and the Dioceses. Representatives of the Dioceses have also attended a number of key stakeholder events. Maintaining an effective relationship with unions and professional associations has been prioritised by the Authority. The Authority has worked closely with all the trade unions to develop and implement the BSF Workforce strategy please see **Appendix 19**. This group meet at least once a term to discuss progress and review programme developments that affect their members. Approval of proposals at Readiness to Deliver, Strategy for Change 1, Strategy for Change 2 and Outline Business Case have been secured from these groups.

Internally the Programme Sponsor, the Operational Director for Business Support and Commissioning, is responsible for maintaining corporate communications around BSF. The membership of the Strategic Board which includes the Chief Executive, all the strategic directors, Secondary Head Nominee, LSC Rep, PfS Programme Director, Governor Representative (Primary and Secondary), Health Authority, 4ps Advisor, representative from the PCT facilitates effective communication across the Authority as well as with key stakeholder groups.

Evidence of Senior Commitment

A wide range of stakeholders have been consulted to date, as described in our Strategy for Change Parts 1 & 2. Consultation has continued since the approval of SfC2 to secure outcomes in respect of statutory processes, to engage in design development for the sample schemes, agree the form of the ICT managed service and to make schools aware of the likely funding implications of the BSF investment.

Progress is evidenced through stakeholder sign up/letters of commitment for the ICT managed service, soft FM services and hard FM services (all schools), copies of which are set out in **Appendix 9**.

7 LEADING AND MANAGING CHANGE

Added

7.1 Transformation Learning

Halton BC recognises that BSF has given us both the stimulus and opportunity to transform learning within our communities and make a step change in outcomes for young people. Whilst the Borough has witnessed recent rapid improvement in attainment for our young people, BSF gives us the opportunity to accelerate that improvement by encouraging us to fundamentally readdress the way learning and services are delivered and through the capital investment to remove existing barriers to improvement. However we recognise that the building alone cannot deliver transformation and that the management and leadership of change are fundamental to our ambitions. Therefore to deliver transformation we must address the following themes:

- Prioritising the needs of our current school population, ensuring that standards continue to rise;
- Ensuring that change is led at a school level, recognising the outstanding leadership present in many of our schools, but providing a network of support and challenge to school leaders from the LA and its partners;
- Supporting schools in continuing to develop the SSfC and in implementing these proposals in a timely manner, through integration in the schools existing school improvement planning;
- Supporting schools in engaging their stakeholders in the transformation dialogue.

The transformation objectives for the Borough are:

- Improve educational outcomes for all;
- Provide the support and challenge to improve school performance;
- Enhance multi agency working so we can intervene earlier and increase capacity for extended services and community use;
- Supporting teaching and learning through Information and Communications Technology (ICT);
- Secure inclusion and further enhancing the provision for pupils with special educational needs;
- Promoting healthy eating and increasing participation in sports and physical exercise;
- Promoting new approaches to school organisation and governance.

The two sample schools are Wade Deacon and The Grange and their detailed SSfCs (**Appendix 2A**) set out how they will address the above objectives.

Wade Deacon High School

Wade Deacon is a high performing schools (79% 5 A*-C including English and Maths, CVA 1041.5). The school has set out ambitious and comprehensive proposals centred around an increased personalisation of learning supported by the use of technology. The model is based around eight key themes, ensuring that each student works with a key adult who will mentor them to understand and address their learning needs. The curriculum will continue to evolve, built around the schools specialisms (Technology, Maths and Computing) and will offer the potential for post sixteen learning through the collaborative arrangements for the Borough. The school places the transformation of the workforce as central to its proposals to enable them to deliver the new models of personal support, learning and teaching.

Ashley Special School will be co-located on to the site with Wade Deacon School campus. Wade Deacon school will also will have a resourced unit for hearing impaired students. This will support the inclusive nature of the school allowing for integration of experience for students, but more importantly allowing staff to share and develop their expertise in inclusive learning. The schools will be supported by a range of professionals and organisations to deliver the wider ECM agenda and the new buildings will have a range of spaces in which services can be delivered, supported through information sharing systems.

The Grange School

The Grange school is an improving school (35% 5 A*-C including English and Maths, CVA 1020.4) set in an area of high deprivation (34%FSM). Central to the school's ambitions are the development of a single focus of learning from 0-16 for the community, signalling the importance of learning, raising aspirations and creating a sense of worth and well-being. In 2007 the four schools which share a campus (nursery, infant, junior and secondary achieved Trust status, with hard federation following in 2008. Single school status will be achieved in April 2010. BSF funding will be combined with Primary Capital funding to provide a single purpose built school.

The focus of the new school will be the development of a continuum of learning for all children and young people, ensuring that they are well known to the staff working with them, avoiding the often negative impact of key transitions, and allowing for increased opportunities for age not stage learning. Equally importantly the single school will allow for the development of long term relationships with families to ensure they are fully informed and involved in their children's learning.

The curriculum will focus on learning and skills development, supported by sophisticated ICT systems that allow for improved monitoring and tracking and maximise learning opportunities, enabling young people to emerge as creative, confident and independent learners.

The ethos of the all age school is highly inclusive and in addition a resourced unit will provide for ASD pupils and those with additional speech and language needs. The school will work closely with a wide range of support services, particularly within health and family support and will provide spaces for service delivery.

Delivering Change

The Local Authority and its schools recognise that change is best delivered by schools within a collaborative network of support. All schools were supported by the education advisers in the development of a SSfC, and schools are now being supported by the LA's Universal Learning Services and School Improvement Partners in converting proposals into change plans, integrated into the existing school improvement planning processes, to ensure that a balance is achieved between meeting the current and future needs of the school. Schools have recognised that the majority of change identified within the SSfC does not require occupancy of the new building and are therefore working to ensure that change is delivered in a smooth and seamless manner, minimising risk. Through this process the LA will be able to ensure that that all schools continue to be engaged.

The LA recognises the considerable demands placed on schools both by involvement in the BSF process and in leading the identified changes and have therefore sought to balance the need for engagement and consultation with the demands of the leadership role. Schools have met with the BSF team on a fortnightly basis to share information, but also to respond to the concerns of schools and to identify common issues that can be tackled collaboratively or on behalf of schools by the LA, particularly in relation to CPD. The LAs CPD and workforce reform teams will work with schools to analyse the key aspects of change identified both through the SSfC and the SFC and where appropriate will develop proposals for support for schools

It is a recognised feature of BSF programmes that considerable additional demands are put on sample schools in the requirement for schools to engage in the process and therefore the

two sample schools will be engaged in the planning process for the procurement phase, supported by the education adviser. This will ensure that the two schools are fully aware of the likely demands and timescales and are able to manage these against the often conflicting demands of the school. The BSF will team will take all reasonable steps to minimise the disruption caused to schools and make the process relevant and manageable.

7.2 Workforce Management, Training and Recruitment

Preparing and Training Staff

In order to facilitate widespread improvement and transformation, a strong change management strategy will be implemented, **Appendix 18**. This will ensure that all school staff are fully aware of the SfC and how and why the change will be implemented. It will describe the ways change management is implemented, challenging traditional ways of working, behaving and thinking. In addition a detailed learning and development plan will be devised with key partners including colleges.

Halton's BSF programme will build upon the commitment of staff, promote stability and at the same time achieve transformation as part of planned workforce reform. Improvements already made in staff recruitment, retention and training will be enhanced by a programme of staff development to ensure the workforce achieves its full potential. New high-quality staff and leaders will be recruited where vacancies occur, and all staff will make best use of the new training and development opportunities BSF will bring, to ensure they develop career pathways and CPD.

New ways of teaching and learning will be supported by multi-agency approaches. This will encourage cross-agency skills sharing and influence the development of CPD enhanced by programmes for executive, experienced and emergent leaders. A dedicated BSF workforce development team will be developed to implement new training and development strategies and deliver plans to support staff to grow into their future roles. One of these strategies will be a Workforce Transformation Strategy, which will aim at identifying and mitigating risks to success and include the following 6 strands:

- **Management Information** – devising effective systems to support the workforce planning process e.g. staffing profiles, age, disability, recruitment statistics, vacancies, hard to fill posts, exit interviews, analysis, details of employment status, permanent, temporary, full or part-time, ethnicity gender information, grades, salary structures using standard deviation curves to map out key issues etc
- **Workforce Planning Matrix** – devising a workforce planning matrix / template to identify schools business and workforce issues and actions required to develop workforce action plans
- **Skills Audits** which will focus on current skills and how to determine and address future gaps. There will be analytical work to include rolling out the use and benefits of new technology and the skills required to maximise its impact; the CPD that is needed; how working differently and service re-engineering can help; outlining the competencies and behaviours to develop high quality leadership; consideration of the drivers for change e.g. new legislation and how services need to change in order to deliver improvements
- **Headteachers Change Tool Kit Guidance** will be created on managing change, which will include drivers for change, why change is important and how to manage other people to help them and the organisation cope with change, aimed at challenging traditional ways of working, behaving and thinking. It will address what to consider in winning hearts and minds, employment arrangements e.g. permanent contracts rather than fixed term contracts to create job security for staff.
- **External factors** – for example monitoring labour market trends and demographic changes, both across Children & Young People's Services and other influential services, in order to identify and address the impact on the new Learning Centres.

- **Individual Training and Development Plans** at school based level with timeframes and outcomes.

All of the key 6 strands will have action plans attached with specific timeframes e.g. short, medium and long term in order that the Workforce Transformation Strategy can be a live document, able to grow and adapt over the life of the project and beyond. This will ensure that the Strategic Plan is being delivered and enable us to complete the programme on time and within budget.

Maintaining Standards

Through an imaginative programme of redesigning schools and learning the Local Authority will provide what every pupil needs for 21st Century. The Local Authority is fully committed to personalised learning. This means in practical terms, focusing in a structured way on each pupils learning in order to enhance progression, achievement and participation. Halton will do this by focusing on five key standards:

- Promoting the development of health and well-being
- Improving ICT as a learning tool
- The development of diverse and innovative curriculum pathways
- Improving literacy and numeracy
- Supporting ongoing professional development in teaching and learning pedagogy for all staff.

At the centre of Halton's vision is a commitment to ensuring high quality teaching exemplified by:

- The use of high quality data and assessment information to shape teaching and assess its impact
- The ability and willingness to match provision to the different and developing needs of pupils
- Regular monitoring of progress to ensure that all pupils maintain their progress and exceed their own expectations
- An active dialogue between teachers and learners to encourage pupils to explore ideas, build relationships and to be increasingly aware of themselves as learners
- An awareness and aptitude to plan activities for pupils which stimulate their interests, extend their capabilities and which exploit a wide range of learning styles
- Judicious use of a whole class, small group and individual teaching methods
- A deep and increasing subject knowledge and understanding of what constitutes good teaching and learning
- Inspirational, knowledgeable and committed professionals who are challenged and supported in everything they do

To support the personalisation agenda Halton will ensure that school design will:

- Be flexible enough to allow for a variety of learning and teaching approaches and a greater diversity in the size and age mix of pupil groupings
- Improve behaviour and safety through careful use of space by for example reducing the prevalence of long corridors and introducing easily supervised social areas
- Use technology- both within and outside classrooms, to enhance learning and track progress and report progress to teachers, pupils and parents and carers
- Support interaction, knowledge-sharing and learning amongst school staff
- Be familiar, welcoming and accessible to parents and carers and encourage their participation both in their own and their children's learning
- Bring about changes to the school day to better reflect the need of '24 hour access to learning by pupils and the wider community
- Fully integrate extended organisations who support each school's aims e.g. health and sport-related bodies

- Build spaces that can be used for more than one purpose and classrooms that support and range of teaching approaches

In order to ensure minimal disruption to learning during the programme all indicative designs have explored the potential to minimise decant. Bidders will be encouraged through the Output Specifications and in Competitive Dialogue / user groups to design-out decant or disruption to learning during construction periods. This process has already been aided by clear phasing and construction plans for the indicative designs. There will be additional support to teachers and staff through transition programmes, which will include the use of shared facilities of other schools during difficult build periods and the potential to limit key build times to the weekends / evenings and school holidays (particularly summer). A robust project management structure is in place and specialist assistance will be provided for design developments and accommodation scheduling, ensuring that the build programmes are accurate and to plan.

The Workforce Transformation Strategy will identify the importance of providing support to staff through the change management process. This will particularly be addressed through the Headteachers Managing Change Toolkit, which will act as an aide memoir at school based level. The individual training and development plans at school level will also focus on what support is required for staff as part of this process.

Answers to Frequently Asked Questions will feature on the BSF website aimed at specifically addressing workforce staffing issues. Regular meetings with staff will be arranged to ensure communication with, and involvement of, staff is regular and appropriate. The involvement of the Trade Unions is also vital in supporting staff and will be an ongoing agenda item at the BSF Trade Union meetings to ensure that staff receive appropriate support. The Workforce Development Workstream will continually review and monitor the support being received by staff. There will be regular monitoring of the Workforce Transformation Strategy (6 strands) and the learning and development plan by the Workforce Development Workstream to ensure outcomes are being achieved and the plans are modified to meet future need.

Further support will be provided for staff through the allocation of BSF Programme Managers to work specifically with individual schools. This will enable any staffing issues to be identified, relayed back and responded to, proactively and positively by the Workforce Development Workstream / School before they manifest as a problem.

Risk Strategy

The management of educational risk has been fully integrated with the overall risk management of the programme and education risks and countermeasures are identified in the project's overall risk register, **Appendix 4**.

Development of Stakeholders

The project is already well structured to manage future stakeholder involvement and influence through the Workstreams and a well developed reporting and communication infrastructure. Halton's approach throughout the development of its SfC, to involving children and young people and a very wide cross-section of stakeholders and interest groups, has enabled a high degree of stakeholder buy-in to the project and the transformation of learning and opportunity it will achieve for the Authority. **Appendix 19** outlines the communication strategy but key strands are outlined below.

Managing Internal and External Resource Requirements

Halton's internal and external project resources are well developed and are outlined in section 6 above.

Managing Stakeholders and Interest Groups

A positive approach to stakeholder involvement will continue throughout the life of the project, through procurement, Competitive Dialogue, consortia bids, evaluation and selection of the

Preferred PSP and beyond. To maximise its effectiveness the project structure will undergo a structure refresh, which will seek to:

- Amalgamate workstreams to increase efficiency and effectiveness
- Reinforce leadership and change management at the heart of BSF
- Establish a Core Evaluation Team responsible for over-seeing bids
- Establish Sub-Evaluation Teams (as extensions to the workstreams) to assess, score and feedback on specialist component parts of bids
- Further improve student, parent, community and front-line staff involvement
- Establish critical Design User Groups for each Sample Scheme as the driving force behind the development of bidder outputs
- Refresh the roles and responsibilities of the key teams and boards
- Ensure the Programme Group retains responsibility to lead on achievement of project programme and milestones
- Ensure the Project Board retains a strong, inclusive decision-making responsibility (as delegated by Cabinet)
- Keeps children and young people as the focal point of the project

Sample schools in particular will be asked to provide a small working team of school representatives to interface with the project attend Design User Groups and Sub-Evaluation Groups and provide feedback to bidders and the Core Evaluation Team on their approach, as part of the assessment and selection process. The working team/ school representatives will act on behalf of the school / Governors in contributing to the selection of the Preferred Bidder.

Where required the project team will attend full Governors meetings of key schools to provide feedback, explain key issues, update on progress and answer questions about progress. .

Managing the LEP Partnership

Halton has already established non-contractual means of delivering partnership outcomes through the extensive participation of Headteachers, Chairs of Governors and staff at project meetings and workstreams. The programme delivery with support from staff in CYPS, PfS, DCSF, the Project Board, Cabinet and the wider Council, has demonstrated its capability to manage strategic planning, stakeholder involvement and buy-in and project delivery.

Through the programme the Authority has now engaged with potential bidders (through Soft Market Testing) and has had an overwhelmingly positive response. This set the scene for the development of positive working relationships with bidders, the Preferred Bidder and the LEP.

There is already good internal experience, particularly in the Senior Project Team, backed by excellent external advisor experience, on the management of partnerships with large bidder consortia and PFIs. As a result Halton has already indicated to bidders the importance it will place on their capability to partner with Halton, the BSF Team, the Authority and its stakeholders.

Using the standard PfS approach to managing relationships with the LEP, the Authority will ensure:

- Implementation of a strong Strategic Partnering Board to monitor quality and assure standards within the LEP and project structure
- The very highest expectations and standards are constantly sought and achieved by all parties
- A no surprises open book and accountable approach for all parties
- Good officer and member understanding of BSF and its contractual agreements with the LEP
- Clarity of roles and responsibilities between the LEP and the project/ Authority / Stakeholders
- Clarity for the governance, policies, codes and conduct and dispute resolution

School stakeholder and transition groups will support the BSF programme before during and after implementation of project plans and will also have a vital role to play in cementing and

managing the relationship between the LEP and the key stakeholders, Halton's children and young people. The bidders and ultimately the LEP will need to demonstrate an ongoing commitment and capability to work directly with children and young people, parents, families, communities and its wide ranging membership.

As well as an expectation of strong collegiate partnership working, the LEP will need to meet some explicitly articulated KPIs which will ensure its relationship with the Authority, and schools is a professional and accountable within a commercial business model. Although partnering will be good, the expectation of a no-excuses delivery of standards and expectations will ensure the relationship between the LEP and partner members is never too cosy and retains a sharp, standard-raising series of challenges to push standards to their highest level. Both the LEP and stakeholders will need to have a maturity of approach and an understanding of the outcomes that are expected to deliver transformation.

Managing the LA's Involvement in the LEP

In establishing the LEP, Halton and Warrington will coordinate the appointment of suitably commercially aware Local Authority Director Representatives. The LA Director will attend the LEP Board as a voting, shareholder member and will be responsible for ensuring the LA voice is influential in decision-making, Board member code of conduct and achievement of the LEP's Business Plan objectives and KPIs.

The Authorities will also maintain an appropriately resourced BSF Project Team, who will have responsibility for monitoring and maintaining high standards of delivery from the LEP on the ground. The project team will work closely with the LEP Chief Executive, their team and supply chain members to ensure project delivery. The project team will act as the interface between the LEP and the Authorities, help the LEP establish acceptable New Projects and achieve New Project Approvals that are affordable and value for money. With partnership and quality assurance at the forefront of the relationship between the LA Project Team and the LEP, the Authorities would hope to establish a working relationship based on clear understanding of roles and responsibilities, trust, mutual respect and an open but challenging day to day operation.

The LEP and LA Project Team will seek to maximise their understanding and delivery of objectives by innovative work practices that seek to remove barriers to progress, which may include:

- Secondments from the Project Team to the LEP and vice versa
- Sharing of some External Advisors
- Job Shadowing to increase the awareness of environmental and organisational cultural influences
- Jointly appointed posts
- The amalgamation of some roles and responsibilities
- Joint training and development workshops
- Shared Mission Statements, visions and objectives

As a result Halton's BSF programme intends to set new standards of achievement and co-operation between the Local Authorities, key stakeholders, local people and the LEP and exceed the aspiration for transformation of learning that Halton has outlined in its SfC.