

---

**Update on progress of the BSF Programme for the Scrutiny Committee on 22/9/08.**

**Procurement.**

1. The evaluation of our single bidder's Initial Bid concluded in early August. This confirmed that, subject to clarification and development in a number of areas, their proposals represent value for money and are an acceptable basis on which to develop the full bid.
2. The proposals contained in these bids cover the broad range of disciplines and services that will be required over the 10 year contract period. These include:
  - the business plan for the LEP company that will be created to run our BSF programme,
  - design and construction proposals for the three sample schools,
  - facilities management arrangements,
  - PFI proposals and contracts, including TUPE,
  - ICT design and installation,
  - processes for developing and delivering new projects.
3. Our BSF Programme is educationally driven, and its success will continue to be evaluated by the future improvements it will deliver to teaching and learning in our schools. This is a quality that our future partner must demonstrate in all areas of their bid.
4. We are now in a period of final dialogue with InspiredSpaces (IS) which will conclude in early November with the presentation of the final bid. This will be subject to detailed evaluation and scrutiny, and if acceptable will culminate in the appointment of IS as preferred bidder in December.
5. These key dates are one month behind programme, but we are still targeting an early date for Financial Close of mid March 2009.
6. Cabinet has approved the BSF Team's proposals with regard to 'soft' facilities management services, which transfer responsibility for cleaning and caretaker services to the PFI contractor but retain catering as a school responsibility.
7. With regard to affordability, our three sample schools have gone over the original budget due to the significant increases in inflation that have been experienced over the last 12-18 months. DCSF rules do not allow the funding to be adjusted on sample schools to account for this. We are however satisfied that the proposals for the schools are cost effective, and the overall budget has been adjusted to absorb this initial challenge. Funding for future projects in the programme will be adjusted for inflation, so we should not be affected by this problem again.

**Sample Schools**

8. The first BSF school, Durham Johnston, is progressing well onsite and on programme for opening in April 2009
9. Plans for our three sample schools (Sedgefield, Shotton Hall and Easington) are now well developed, and we hope to reach 'design freeze' in the next few weeks to clear the way for planning applications in early November.

10. Ongoing concerns with regard to the size of the new Shotton Hall school are being addressed in parallel with design development, and we hope to reach a satisfactory resolution in the next few days.
11. The proposal to incorporate Shotton Hall Primary School in the main PFI contract has been approved by Cabinet, and the design for the new school is now rapidly developing.
12. The early Financial Close date mentioned above will allow the sample schools to commence onsite in April 2009, and complete at the end of 2010.

### **Wave 3 Non Sample Schools**

13. Development activities have commenced on the first non-sample schools in Wave 3 - Dene and St Bedes. As with all schools in the future programme, the DCC BSF team will control the development of the brief for the schools, and release this to IS for the commencement of the design. This work will be completed for in line with IS's appointment as selected bidder, allowing them to progress the projects during the run up to Financial Close. Similar activities will follow for Wellfield and Glendene in early 2009.
14. The final Wave 3 school, Seaham, has been put back in the programme to allow for the acquisition of a new site at Malvern Crescent. This is currently the subject of negotiations with One NorthEast and English Partnerships regarding the interface with the adjacent colliery site.

### **Wave 6**

15. Development of the second phase of our BSF programme has now commenced, covering the schools in the South West of the County plus the Framwellgate Science Campus. The first of three stages required to gain approval of our outline business case has been successfully completed. OBC approval should be achieved in mid 2009, allowing the first of these projects to start onsite in 2010.
16. The process of public consultation for the new pattern of schooling planned for the South West, including a number of school amalgamations, is running in parallel with these activities.

### **Academies**

17. The BSF team await the conclusion of the sponsor selection so that we can commence planning for the delivery of the academies.

### **ICT**

18. After some difficulties with the Initial Bid, we are now making good progress with IS in the development of the Countywide ICT solution. The proposed approach is currently being trialled at Durham Johnston school.
19. Given the critical programme for design and installation of the ICT system for Durham Johnston's opening in April 2009, we have decided to procure a separate ICT contractor to undertake the initial activities for the first handover.



---

InspiredSpaces will then complete the installation in time for the opening of the full school in September 2009.

20. Development of the in-house ICT managed service for the schools is making steady progress in parallel with the BSF procurement programme, but needs to now accelerate to ensure that the business plan can be signed off at the end of October. This activity is critical to the conclusion of the procurement phase, and the long term success of the BSF Programme.

***David Theobald***  
***BSF Project Director***