

## CABINET ITEM COVERING SHEET PROFORMA

### **AGENDA ITEM**

### **REPORT TO CABINET**

**5 OCTOBER 2006**

### **REPORT OF CORPORATE MANAGEMENT TEAM**

## **KEY DECISION/CABINET DECISION**

**Children and Young People – Lead Cabinet Member- Councillor Cunningham**

### **READINESS TO DELIVER BUILDING SCHOOLS FOR THE FUTURE**

#### 1. Summary

The Authority is required to submit new documentation for assessment by the Department for Education and Skills and Partnerships for Schools, the national body responsible for managing *Building Schools for the Future (BSF)*. That assessment will determine when BSF funding will become available for the first phase of a development programme to rebuild, remodel or refurbish the secondary schools in Stockton. This will be followed (at a date yet to be announced) by a second phase covering schools in other parts of the Borough.

An officer working group has prepared draft documentation in accordance with DfES guidance. Building on existing strategies and meetings with headteachers, college principals and representatives of the local Learning and Skills Council, the draft submission summarises the steps already taken in planning for BSF and action proposed for the next twelve months. This will include setting up a project team to draw up detailed proposals for the future pattern of secondary education in Stockton, and offering those for consultation to stakeholders including school staff and governing bodies, parents and students, partner organisations and local communities. The draft submission is attached as Appendix 1 to this report.

The release of BSF funding also requires a commitment by the Authority to accept the assumptions underpinning BSF as a national programme. These are listed in paragraph 9 of the report. The experience of other local authorities – and the advice from DfES – suggests that any challenge to these assumptions is likely to be unsuccessful and could delay the release of funding. A draft letter confirming acceptance in principle is attached as Appendix 2 to this report.

No funding support is available from Government for the costs of developing a local BSF project and engaging the necessary external consultant support. A regional adviser from the Public Private Partnerships Programme (a body of the Local Government Association) has suggested a figure of £500,000 in the first two years, rising to £1 million annually when our programme reaches the procurement stage.

## 2. Recommendations

Cabinet is asked to agree:

1. that the draft Readiness to Deliver document (Appendix 1) be submitted on behalf of the Authority to DfES and Partnerships for Schools on 13 October 2006;
2. that a letter (Appendix 2) confirming the Authority's commitment in principle to accept the national BSF funding and procurement model be signed by the Leader of the Council and the Chief Executive and attached to the Readiness to Deliver submission;
3. that the following allocations to support BSF project management be considered as part of the budget-setting process:

£500,000 in 2007-08  
£500,000 in 2008-09  
£1,000,000 in 2009-10.

## 3. Reasons for the Recommendations/Decision(s)

Local authorities expecting to join *Building Schools for the Future* in waves 4 to 6 (between 2008 and 2010) are required to submit prescribed documents by 13 October to the Department for Education and Skills and Partnerships for Schools, the national body responsible for managing BSF. These documents will inform an assessment of authorities' readiness to deliver a local BSF programme when funding is made available. An estimated £60 million is likely to be allocated for the schools in Stockton in waves 4 to 6.

## 4. Members' Interests

Members (including co-opted members with voting rights) should consider whether they have a personal interest in the item as defined in the Council's code of conduct (paragraph 8) and, if so, declare the existence and nature of that interest in accordance with paragraph 9 of the code.

Where a Member regards him/herself as having a personal interest in the item, he/she must then consider whether that interest is one which a member of the public, with knowledge of the relevant facts, would reasonably regard as so significant that it is likely to prejudice the Member's judgment of the public interest (paragraph 10 of the code of conduct).

A Member with a prejudicial interest in any matter must withdraw from the room where the meeting is being held, whilst the matter is being considered; not exercise executive functions in relation to the matter and not seek improperly to influence the decision about the matter (paragraph 12 of the Code).

**Further to the above, it should be noted that any Member attending a meeting of Cabinet, Select Committee etc.; whether or not they are a member of the Cabinet or Select Committee concerned, must declare any personal interest which they have in the business being considered at the meeting, and if their interest is prejudicial, they must also leave the meeting room during consideration of the relevant item.**

**AGENDA ITEM**

**REPORT TO CABINET**

**5 OCTOBER 2006**

**REPORT OF CORPORATE  
MANAGEMENT TEAM**

**KEY DECISION**

**READINESS TO DELIVER *BUILDING SCHOOLS FOR THE FUTURE*  
COUNCILLOR A CUNNINGHAM**

**SUMMARY**

The Authority is required to submit new documentation for assessment by the Department for Education and Skills and Partnerships for Schools, the national body responsible for managing *Building Schools for the Future (BSF)*. That assessment will determine when BSF funding will become available for the first phase of a development programme to rebuild, remodel or refurbish the secondary schools in Stockton. This will be followed (at a date yet to be announced) by a second phase covering schools in other parts of the Borough.

An officer working group has prepared draft documentation in accordance with DfES guidance. Building on existing strategies and meetings with headteachers, college principals and representatives of the local Learning and Skills Council, the draft submission summarises the steps already taken in planning for BSF and action proposed for the next twelve months. This will include setting up a project team to draw up detailed proposals for the future pattern of secondary education in Stockton, and offering those for consultation to stakeholders including school staff and governing bodies, parents and students, partner organisations and local communities. The draft submission is attached as Appendix 1 to this report.

The release of BSF funding also requires a commitment by the Authority to accept the assumptions underpinning BSF as a national programme. These are listed in paragraph 9 of the report. The experience of other local authorities – and the advice from DfES – suggests that any challenge to these assumptions is likely to be unsuccessful and could delay the release of funding. A draft letter confirming acceptance in principle is attached as Appendix 2 to this report.

No funding support is available from Government for the costs of developing a local BSF project and engaging the necessary external consultant support. A regional adviser from the Public Private Partnerships Programme (a body of the Local Government Association) has suggested a figure of £500,000 in the first two years, rising to £1 million annually when our programme reaches the procurement stage.

**RECOMMENDATIONS**

Cabinet is asked to agree:

1. that the draft Readiness to Deliver document (Appendix 1 to this report) be submitted on behalf of the Authority to DfES and Partnerships for Schools on 13 October 2006;
2. that a letter (Appendix 2) confirming the Authority's commitment in principle to accept the national BSF funding and procurement model be signed by the Leader of the Council and the Chief Executive and attached to the Readiness to Deliver submission;
3. that the following allocations to support BSF project management be considered as part of the budget-setting process:

£500,000 in 2007-08  
£500,000 in 2008-09  
£1,000,000 in 2009-10.

## **DETAIL**

### Background on Building Schools for the Future (BSF)

1. Building Schools for the Future is a large-scale government programme designed to fund the rebuilding, remodelling or refurbishment of all secondary school buildings in England over about fifteen years. Including special schools and pupil referral units as well as mainstream schools, the programme has three main aims:
  - to transform educational attainment, particularly among underachieving groups or in underachieving areas;
  - to support the five Every Child Matters outcomes and the delivery of integrated services for children and young people;
  - to contribute to the physical and economic regeneration of communities.
2. BSF is not intended to create like-for-like replacement of existing secondary school buildings. In consultation with partners and stakeholders, local authorities are required to produce a new strategy for 11-19 education and then design buildings to deliver it. This strategy must address the government's national policy priorities for education, such as: personalised learning, greater use of ICT, workforce reform, the new 14-19 curriculum, extended schools, diversity and choice. It must also address local priorities such as underachievement and disengagement in some areas, demographic decline, parental preference, transport and environmental factors. BSF is a unique opportunity to integrate renewed secondary education provision into the developing agenda of integrated services and community regeneration.
3. Government decided from the outset that admitting all local authority areas into the BSF programme simultaneously would spread the available resources too thinly. Instead between ten and twenty local programmes are to be started off each year. Local authorities were placed in priority order in 2004 on criteria of below average GCSE results and above average deprivation, and funding began for the first wave of 18 areas in 2005-06. Each year a further wave of areas begins to receive funding. Because future funding will depend on the outcome of government spending reviews, only those areas in the first three waves were identified in 2004. In 2005 all other areas were given an indicative placing in one of the subsequent bands of three waves.

### BSF for Stockton-on-Tees

4. The secondary school estate in Stockton-on-Tees has been divided into two groups for BSF investment. The schools in Stockton are called Group 2 (but in fact the

prioritisation criteria will bring them into BSF first), and the schools in Billingham, Thornaby, Ingleby Barwick, Yarm and Eaglescliffe are Group 1. DfES has placed Group 2 in waves 4 to 6, which means that funding should become available between 2008-09 and 2010-11. Group 1 was placed indicatively in waves 10 to 12.

5. Detailed preparation for entry into BSF requires the commitment of significant Council resources to fund a local project development team and specialist external advisers. Without knowing precisely when they would enter BSF, local authorities have been wary of making this commitment too early. As a result, areas in waves 1 to 3 found themselves with too much to do between the announcement of their wave and the release of funding. No new-build project in wave 1 has yet reached the construction stage nearly eighteen months after funding became available. In order to reduce these delays, the DfES has brought forward the timetable for starting waves 4 to 6 and introduced a new criterion of “readiness to deliver.”

#### October submission to DfES and Partnerships for Schools (PfS)

6. Authorities in waves 4 to 6 must submit prescribed information to enable DfES and PfS (the national body responsible for managing the BSF programme) to assess our readiness to deliver BSF. The requirements include:
  - a summary (max. 5 pages) of the key educational challenges facing the schools in Group 2, and how BSF will address them (e.g. underachievement, diversity and choice, demographic change & school size, inclusion, 14-19 curriculum, personalised learning);
  - our estate strategy (2 pages on the needs of the buildings as recorded in the Asset Management Plan, pupil number projections, proposals for change or reorganisation, planned consultations, ICT strategy);
  - written commitment to the national assumptions of BSF from the Leader of the Council and Chief Executive (see paragraph 9 below);
  - planned project management arrangements;
  - commitment to fund a support network of internal and external expertise;
  - evidence of corporate capacity to deliver major strategic investment projects;
  - commitment of key stakeholders (schools, colleges, dioceses and other partners), and plans for further consultation;
  - risk management strategy.
7. Wave 4 to 6 authorities are not expected to demonstrate readiness to deliver BSF now. Their submissions should show that they are aware of what needs to be done before the release of funding, and that plans are in place to achieve a state of readiness by that time.
8. A working group has produced draft documentation, building on existing strategies and the outcome of planning meetings with headteachers, college principals and representatives of the local Learning and Skills Council. The draft submission is attached as Appendix 1 to this report.

#### Assumptions underpinning BSF

9. BSF is a national programme, and the release of funding to local authorities will depend on their agreement to accept these assumptions:
  - a commitment to government policy aims such as diversity of provision (including academies, where appropriate), and parental choice;
  - the use of PFI for most new-build projects, and a disposition towards outsourced Facilities Management;

- a managed ICT service (supply, maintenance and replacement of hardware and software);
  - in most cases the use of a Local Education Partnership (LEP), a company formed by the local authority and a private-sector partner to deliver the local programme;
  - commitment to fund a full-time project team and engage external advisers experienced in the financial, legal and technical aspects of the programme.
10. Some of the delays encountered in waves 1 to 3 of BSF have been attributed to a reluctance on the part of some local authorities to accept these assumptions. For this reason a written statement of commitment to these principles signed by the Leader of the Council and the Chief Executive is required as part of the October submission. A draft letter is attached as Appendix 2.

### Consultation

11. The draft Readiness to Deliver document is based on a range of existing plans and strategies, most of which have themselves been subject to consultation with appropriate partners and stakeholders. The draft itself has been submitted for consultation to secondary headteachers, college principals and representatives of the local Learning and Skills Council.
12. The document includes a plan for wider consultation as the Strategy for Change develops over the next twelve months. This will be done in three stages:
1. September to December 2006 - completing ongoing work on the education elements of BSF (i.e. teaching and learning, ICT, 14-19 curriculum, workforce remodelling). Regular meetings are scheduled with secondary heads and principals, diocesan directors, extended school cluster groups and the local LSC.
  2. January to April 2007 – developing the estate strategy and integrated service area strategy, including option appraisals to identify potential school organisation proposals for general consultation. Stakeholder meetings as above plus the Schools Asset Management Group, North Tees Primary Care Trust, school governing bodies and staff, community and voluntary organisations and DfES.
  3. May to October 2007 – general consultation on the Strategy for Change including any specific school organisation proposals that may have emerged. Young people, parents and carers, staff unions and the general public will be added to the stakeholder lists above.

## **FINANCIAL AND LEGAL IMPLICATIONS**

### **Financial**

13. The first phase of BSF for Stockton-on-Tees is likely to bring capital funding of around £60million to the Borough. Developing and managing a local BSF programme will require the commitment of revenue resources of up to £1million annually from 2007-08 onwards.

### **Legal**

14. No implications have been identified at this stage.

## **RISK ASSESSMENT**

15. A risk assessment has been carried out. This stage of the BSF process is categorised as low to medium risk. Existing management systems and daily routine activities are sufficient to control and reduce risk.

## **COMMUNITY STRATEGY IMPLICATIONS**

### **Environment**

16. All new and refurbished buildings will be designed with sustainability, low energy use and low carbon emissions in mind.

### **Community Safety and Well-Being**

17. The renewal of secondary schools through BSF will contribute to the five Every Child Matters outcomes and to the development of integrated service provision.

### **Health**

18. No implications

### **Economic Regeneration**

19. BSF will contribute to economic and community regeneration in the Borough.

### **Education and Lifelong Learning**

20. The aim of BSF is to transform standards of attainment in secondary schools.

### **Arts and Culture**

21. No implications

## **CONSULTATION INCLUDING WARD/COUNCILLORS**

**Name of Contact Officer: John Hegarty**

**Post Title: Planning and Policy Development Officer (CESC)**

**Telephone No. 01642 526477**

**Email Address: john.hegarty@stockton.gov.uk**

### Background Papers

School Organisation Plan 2006-09 available on the Council website.  
Report to Cabinet 22 July 2004.

### Ward(s) and Ward Councillors:

Not Ward-specific. The submission reflects a developing strategy relevant to the entire Borough.

### Property

Building Schools for the Future promises very significant capital funding to renew secondary school buildings in the Borough over ten to fifteen years. This will allow the Authority to address issues relating to the condition, suitability and sufficiency of school buildings as recorded in the Asset Management Plan.