

STOCKTON-ON-TEES BOROUGH COUNCIL

CABINET RECOMMENDATIONS

PROFORMA

Cabinet Meeting3rd September 2009

1. Title of Item/Report

To determine the scope of a Local Education Partnership (LEP)

2. Record of the Decision

Consideration was given to a report on Building Schools for the Future (BSF): Scope of the Local education Partnership (LEP).

A Local Education Partnership (LEP) was the default procurement vehicle for BSF programmes with a capital value in excess of £100 million. Cabinet had already agreed in principle to the establishment of a LEP to deliver the Stockton-on-Tees BSF programme (most recently in Strategy for Change Part 2 agreed on 5 February 2009).

The LEP would enter a long-term Strategic Partnering Agreement with the Council to develop and procure BSF building projects for approval by the Authority, and to supply managed services for ICT and facilities management to schools in the BSF programme. The Agreement would grant to the LEP exclusive rights to provide these services for a fixed term, subject to satisfactory performance.

The Agreement could also allow the LEP to negotiate directly with the Council to provide other services in addition to those directly relevant to the BSF programme. Where the LEP could demonstrate best value, this would avoid any need to conduct a separate procurement process for those services.

The report described the outcome of a series of workshops involving Council members, officers and school governors to consider the potential for including additional services within the scope of the LEP. The report also considered the likely impact of the LEP on services delivered by the Council or procured directly by schools. The recommendations in the report had been discussed with Partnerships for Schools and had been agreed by the BSF Project Board.

RESOLVED that the notice to be placed in the Official Journal of the European Union (OJEU) advertising the Building Schools for the Future programme in Stockton-on-Tees should:-

1. Define the scope of services for which the Local Education Partnership (LEP) will be given exclusivity, namely the provision of:-
a. capital building works funded by the BSF programme procured under Private Finance Initiative (PFI) or Design & Build (D&B) contracts;
b. maintenance and facilities management (FM) services for schools subject to capital works under the BSF programme;
c. a managed service to deliver Information and Communication Technology (ICT) to the schools in the BSF programme (including any facilities which may not be subject to BSF-funded capital works).

2. Include a statement that the LEP might be invited to provide the following additional services, but will not be granted exclusivity:-
a. school building works funded by the Primary Capital Programme or other funding programmes;
b. building maintenance, facilities management, and a managed ICT service for schools (including primary schools) outside the BSF programme.

3. Reasons for the Decision

A LEP is a joint venture company with shareholding owned by the local authority (10%), BSF Investments (part of Partnerships for Schools - 10%), and a private sector partner (80%). The private sector partner will be appointed by Cabinet after a competitive bidding process. This will be initiated by a notice published in the Official Journal of the European Union (OJEU) later this year.

The OJEU notice, and the Strategic Partnering Agreement that will follow, must specify the scope of LEP activity. They will define the services that the LEP will have exclusive rights to deliver. The services included in Recommendation 1) above are fundamental to the BSF programme and are the minimum likely to ensure a positive response from potential partners. The possibility of negotiating (without exclusivity) to provide additional services beyond BSF is likely to increase the attractiveness of the Stockton-on-Tees programme to potential bidders, while offering the Council opportunities to reduce procurement costs.

4. Alternative Options Considered and Rejected

None

5. Declared (Cabinet Member) Conflicts of Interest

None

6. Details of any Dispensations

N/A

7. Date and Time by which Call In must be executed

By Midnight, Friday, 11th September 2009

Proper Officer
07 August 2009