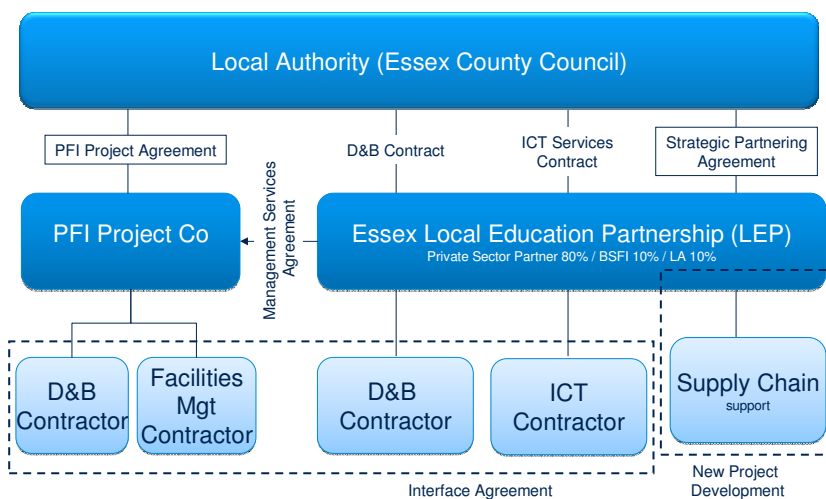


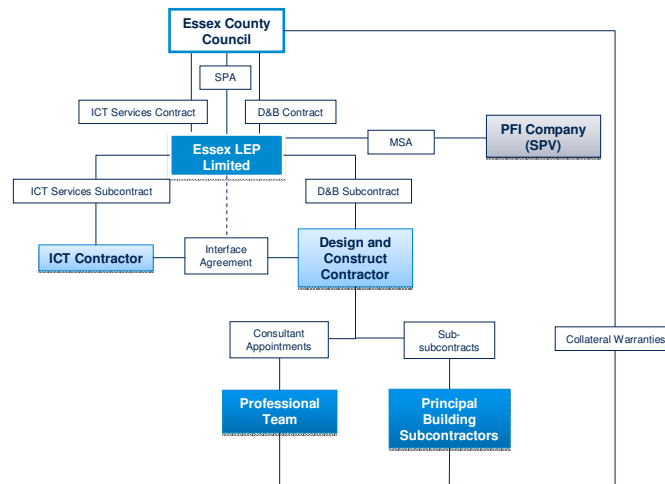
Frameworks and Partnering Agreements Schools for the Future

21st June 2010

BSF Project Contract Structure (Essex)



Essex BSF Contractual Structure – LEP



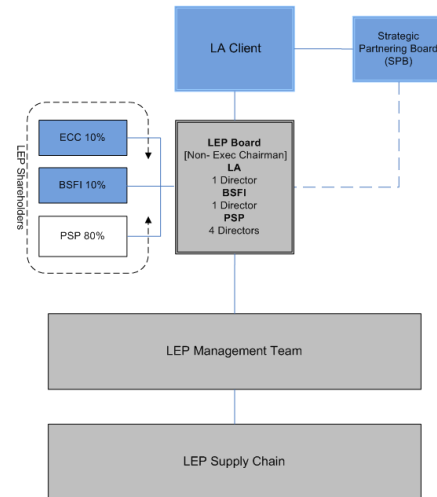
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Strategic Partnering Agreement (SPA)

- Deliver Partnering Services (now Proposals)
 - (core) BSF projects – Design and Construct, ICT, FM
 - Additional Services
- Sample projects
 - PFI, D&C and FM
 - ICT Managed Service
- Develop and deliver New Projects
- 5 to 10 year exclusivity
- Annual Review of Performance
 - Value for Money test

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LEP Governance



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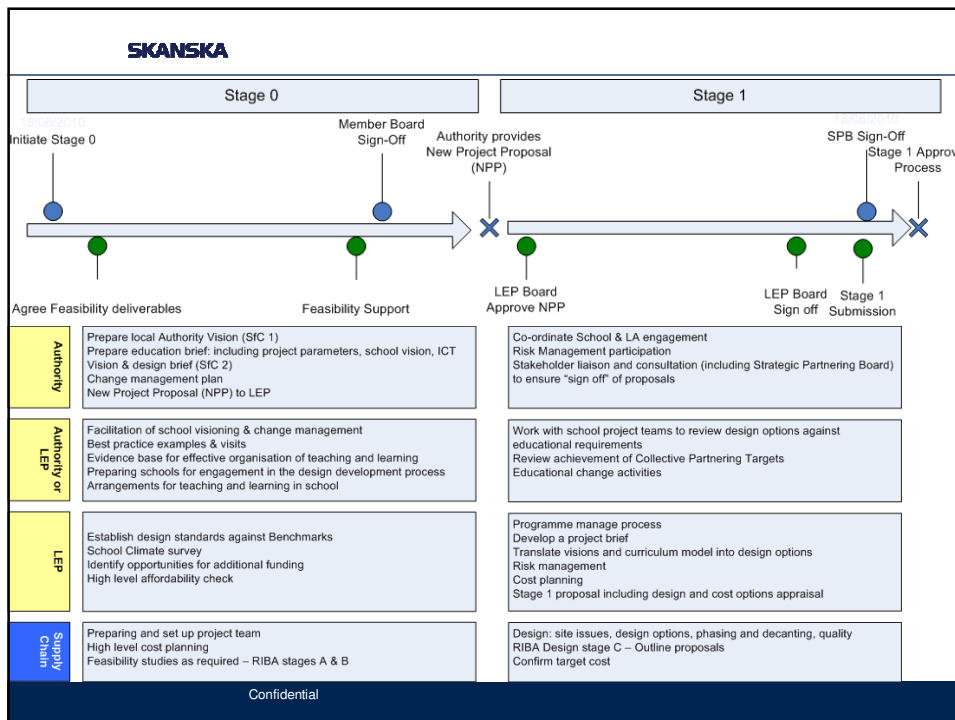
Key Points

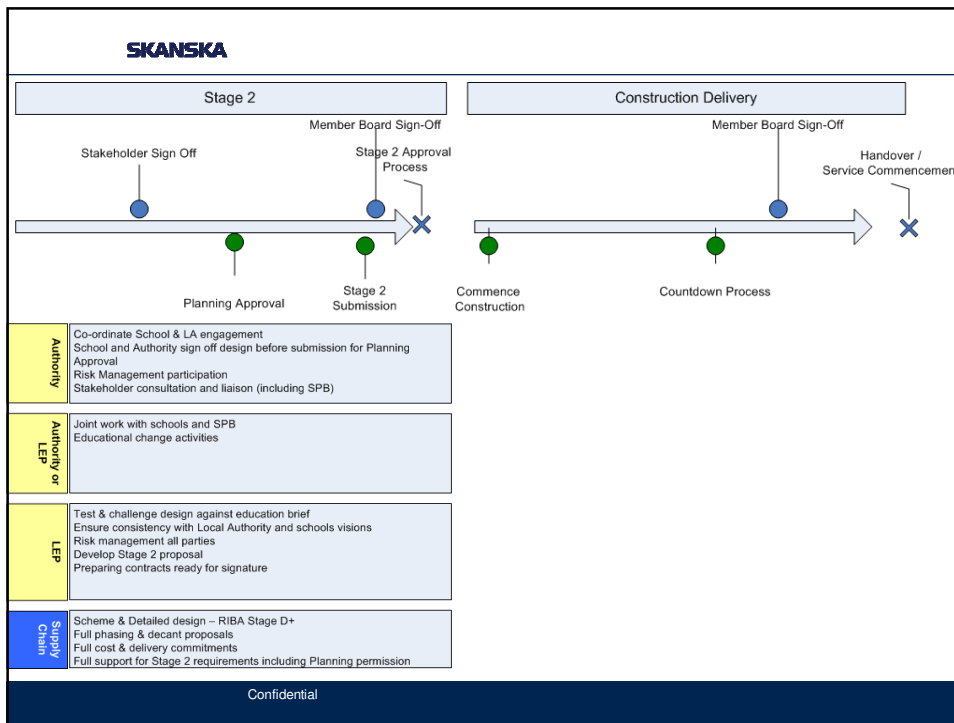
- LEP independent from supply chain
- LA is a partner through investment in LEP
- Business Plan is part of bid and is a schedule to the LEP Shareholders Agreement
 - Governance, resourcing, financial plan, mobilisation plan
 - Although minority shareholder, public sector has protected rights in SHA
- LEP alignment with LA and shared objectives
- LEP resource should substitute and not duplicate LA or supply chain staff

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New Project Development

- Schedule 3 of SPA sets out New Project Approval Procedure
- 3 Stages
 - Stage 0 includes LA's education Strategy for Change, design brief, funding, feasibility etc.
 - LA submits New Project Proposal to LEP
 - LEP (Board) has 20 days to accept
 - Stage1 submission tests feasibility with concept design
 - Stage 2 submission includes fully detailed design and Planning Permission.
- Role of SPB





SKANSKA

New Project Development (2)

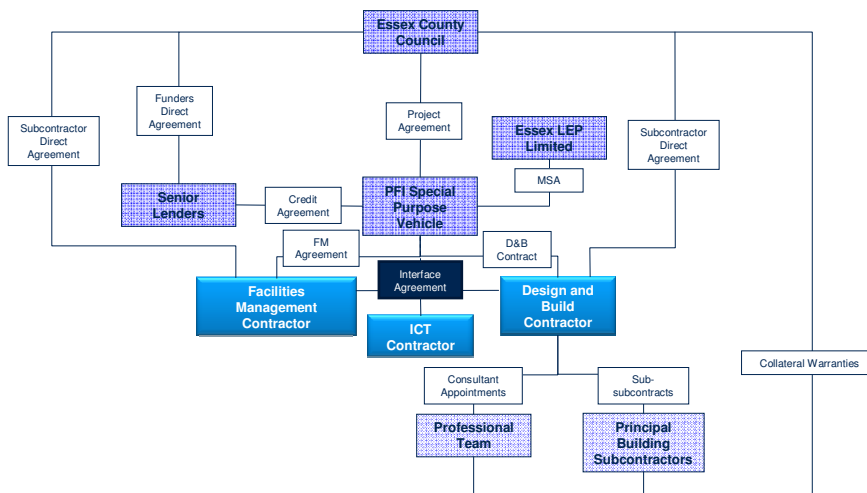
- Key process and protocol to SPA
- Clear roles and responsibilities for both LA and LEP
- LEP and supply chain develop projects “at risk”
 - Projects must meet education brief and affordability envelope
- Continuous improvement
 - Generated savings
 - Revise KPI targets
- Benchmarking against sample schemes
- Market testing
 - After 5 years or every project

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Value for Money tests

- Annual performance review by SPB
 - Track record test
 - Failure of a KPI = loss of exclusivity
- KPIs
 - Performance related (cost, time, quality)
 - Added value initiatives (e.g. Work related learning)
 - Bind LEP and supply chain
- CPTs
 - LA and LEP can influence – shared vision
 - Failure – joint action plan then remediation plan
 - Can be seen as soft penalty for failure

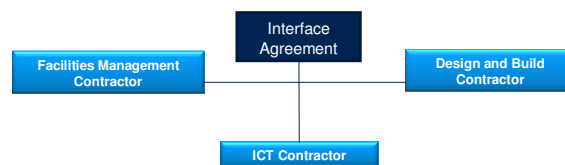
PFI Contractual Structure



Further issues

- ICT Managed Service
 - 5 year contract
 - Direct contract through the LEP
- Interface issues

Interface agreement



Key Issues

- Programme, building completion and SAD
- Access and priority
- Liability, damage and loss
- Responsibility for delay
- Caps on liability

Essex BSF Wave 5



School	Location
Appleton	Benfleet
Glenwood	Benfleet
The King John	Benfleet
Mayflower	Billericay
Billericay	Billericay
Beauchamps	Wickford
Bromfords	Wickford
Edith Borthwick	Braintree
The Deanes	Hadleigh

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Building Contract Issues/opportunities

- Working with a LEP/Authority/School
- Interface with ICT & Facilities
- Implication of late completion
- Professional Indemnity requirements
- KPI's and Continuous Improvements
- Long-term relationships, Client and designers
- Opportunity to develop local specialist supply chain and 'standards'

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