



Building Schools for the Future, Enfield

Building Schools for the Future (BSF)

Jargon Buster

March 2009

Academies

Academies are all ability independent schools established by sponsors from business, faith or voluntary groups working in partnership with central government and local education partners.

Becta (The British Educational Communications Technology Agency)

UK agency that supports DCSF in its strategic ICT developments.

Building Schools for the Future Investments LLP (BSFI)

The vehicle set up by DCSF and PUK to work with PFS to invest in the BSF programme.

BREEAM (British Research Establishment Environmental Assessment Method)

BREEAM assesses the performance of buildings in the following areas – management, energy use, health and well-being, pollution, transport, land use, materials, and water.

Building Bulletin 77 (BB 77))

Following guidance issued by the Department for Children, Schools and Families (DCSF), during Jan-09, for mainstream and special schools:

BB 77 Designing for Pupils with Special Educational Needs and Disabilities in Schools was replaced by **BB102, Designing for Disabled Children and Children with Special Education Needs**

Publication by DCSF that contains information on designing for pupils with special educational needs in mainstream and special schools.

Building Bulletin 98 (BB 98)), Briefing Framework for Secondary School Projects

Publication by DCSF that sets out area guidelines for secondary school buildings.

Call for Final Bids

The request for final submissions which is made by the local authority to the remaining participants after the conclusion of the dialogue phase.

Commission for Architecture and the Built Environment (CABE)

A national body promoting good design of buildings and spaces. Advisory body to the BSF programme in design issues funded by DCSF to support LAs with design enablers, providing 10 – 12 days of free time allocated to each local authority project, previously to the schools PFI programme, and now to BSF authorities.

Commercial close

This term is often used to mean the point at which all contractual documents are agreed, but will not become effective until Financial Close. This point should occur shortly before financial close.

Competitive Dialogue

The procurement process used by the public sector for the award of complex contracts such as those for the Private Finance Initiative (PFI). This procedure was introduced by the EU and became part of English law in January 2006.

Conventional capital Capital grant or borrowing approval for non-PFI projects. See definitions for Supported Capital Expenditure (SCE).

DCSF Project Adviser

Each local authority will be allocated a BSF Project adviser at the DCSF, who will work closely with their project team and provide access to policy advisors at the DCSF. The Project Adviser will also manage the various project approvals for the DCSF, and report to Ministers on programme and project progress.

Design and Build (D&B) A form of contract in which a single contractor is responsible for both the design and construction of a building project. In BSF this will usually be the LEP.

Design, Build, Finance & Operate (DBFO)

A form of contract in which a consortium takes responsibility for the design, construction, financing and operation (including maintenance) of an asset for a period of years. PFI contracts are DBFO contracts.

Design Quality Indicator (DQI)

The DQI is a tool to assist with the briefing, development and evaluation stages of a project.

Dialogue phase

The phase of the procurement starting with the Invitation to Participate in the Dialogue and ending prior to the Call for Final Bids. The dialogue phase enables the local authority to discuss and negotiate with pre-qualified participants with the aim of identifying the solution(s) best suited to satisfying its needs.

Exemplar Designs

The DCSF has produced a compendium of exemplar designs for new secondary schools. These schemes are the result of a design competition held during 2003, which resulted in five teams being chosen to produce model schemes for different types of site. A sixth design is for an “all-through” school combining secondary and primary. (There are also five primary school exemplars, although these are not expected to be widely used for the BSF programme).

Final Business Case (FBC)

The authority’s document submitted for approval to the DCSF to ask them to fund the BSF project. This is required before conclusion of the contract.

Final Bids

The tenders submitted by remaining participants, in response to the ITSFT, once the dialogue phase has been concluded and which must include all elements necessary for the performance of the contract. Final bids should be based on the solution(s) identified in the dialogue phase.

Financial Close

Point at which, if PFI is being utilised, the interest rate is fixed on the bank debt taken out by the bidder to finance the project.

Funding Allocation Model (FAM)

PfS provides the local authority with a funding “envelope” for a group of schools in a project. The envelope is calculated using the FAM, based on the recommended gross floor areas and the agreed projected number of pupils.

Gateway Review

A Gateway is a review of a procurement project carried out at key decision points by a team of experienced people who are independent of the project team. The Gateway Review process provides assurance to the Project Owner that their project can progress successfully to the next stage. Gateways have been designed to support projects that procure services, construction/property projects and IT enabled business change projects. The Gateway Review process in Local Government is managed by 4ps.

Invitation to Participate in Dialogue (ITPD)

The document which invites participants who have pre-qualified to participate in a competitive dialogue.

Invitation to Submit Final Bids (ITSFB)

The document which invites remaining participants to submit Final Bids once the dialogue phase has been concluded.

Key Performance Indicator (KPI)

The KPIs will measure the ongoing performance of a contract. They are extensively used in the Strategic Partnering Agreement.

Local Management of Schools (LMS)

The majority of funding available for schools is allocated direct to school budgets (LMS), allowing headteachers and governors to make decisions on priorities and use of funds.

Local Choice Fund

Part of the ICT funding which allows choice of ICT equipment, peripherals and software by individual schools as part of an overall managed service.

Local Education Partnership (LEP)

The joint venture company for local delivery of the BSF programme, formed by a local authority, BSFI and a Private Sector Partner (PSP) which is usually a consortium. The standard model anticipates the PSP owning 80% of the shares, BSFI 10% and the local authority 10%.

Major Review Assessment (formerly, the Project Review Group) The MRA is an inter-departmental group chaired by PFS and comprising membership of HM Treasury (HMT), DCSF and PUK. The MRA assess all BSF projects to agree their readiness to go to market and issue OJEU.

Official Journal of the European Union (OJEU) The publication in which contract notices appear, to which interested suppliers respond – previously the Official Journal of the European Community (OJEC). OJEU is commonly used as an abbreviation of the official notice which appears in the Supplement to the Official Journal of the EU.

Office of the Schools Commissioner

The Schools Commissioner is appointed by the Secretary of State and has a national role to promote choice, diversity (through bringing in new providers) and fair access in the education system. This will involve encouraging the development of new Academies and Trust schools, with a view to delivering better educational outcomes.

Outline Business Case (OBC)

Business Case which sets out in detail the scope, costs, affordability, risks, procurement route and timetable of the project such that it can be approved by the local authority to the satisfaction of DCSF and the Project Review Group (if PFI included), and for advancing to the procurement stages of the project. The OBC is written using guidance provided by PFS.

Output Specification

A detailed description of the functions that the new accommodation must be capable of performing. Usually split into building functions and service functions. The Output Specification is intended to state only the outputs required of the services, and not the way in which the PSP will achieve these

Partnerships for Schools (PFS)

The non-departmental public body (NDPB) set up to deliver BSF, working at both a national and local level. It is separate to BSFI, the investment vehicle. PFS has also been tasked with delivering the government's Academies programme.

Partnerships UK (PUK)

Partnerships UK was established by Government to accelerate the development, procurement and implementation of public private partnerships (PPPs). PUK works exclusively with and for the public sector. It is 44% owned by HM Treasury and 5% by Scottish Ministers.

Pathfinder project

Four projects selected in March 2003 to help shape and prove the BSF programme and which have now completed their procurement stages.

Payment Mechanism

The basis of payment to the Contractor which provides for deductions for non-availability of spaces and non-performance by the Contractor.

Pre-Qualification Questionnaire (PQQ)

Bidders expressing an interest in the project advertised in the OJEU are issued with a Pre-Qualification Questionnaire to establish whether potential bidders have the technical capacity and ability, economic and financial standing to deliver the project.

Private Finance Initiative (PFI)

A procurement route established in 1995, and more widely adopted since 1997. It is an important route for much Government spending on assets, as it transfers significant risks to the private sector. PFI requires private sector consortia to raise private finance to fund the project, which must involve investment in assets, and the long-term delivery of services to the public sector. In BSF, to ensure value for money, PFI is the funding route favoured for new build projects.

Private Finance Initiative Credit (PFI Credit)

PFI Credits represent a commitment on the part of the Government to provide a certain level of revenue support to a local authority, under the Local Government (Capital Finance) Regulations 1997. The government reimburses a contribution to the local authority (which contracts with the private sector to provide facilities) for that element of the contract price that relates to the repayment and servicing of funds borrowed to provide the facilities. The revenue support acts as a contribution to the unitary charge that the local authority will be contractually committed to paying to its PFI contractor.

Private Sector Partner (PSP)

The private sector organisation with which a local authority enters into a PPP or PFI contract. In BSF, the PSP will have the majority stake within the LEP, and may also be in direct contract with the local authority through PFI contracts. The PSP is usually a consortium made up of a range of private sector companies working collaboratively. These might include Construction Companies, ICT Providers, Legal Advisors and Education Consultants.

Procurement

The whole process of acquiring goods, works and services from third party providers.

Procurement Route

The systems and procedures for commissioning work. In BSF it is anticipated that around 50% of the schools will be PFI new builds which means they will be built, maintained and serviced by an SPV set up by a LEP. The rest of the schools will be refurbished, and in some cases will also be maintained over a period of time by the LEP.

Project Agreement

The legal agreement reached between the local authority and the private sector partner for PFI projects. For BSF projects the PFS standard form of Project Agreement is used.

Project Directors (PD)

The PFS staff who advise the local authority project team, and lead them through the standardised BSF process.

Public Private Partnerships (PPP)

The relationship formed between the private sector and public bodies often with the aim of introducing private sector resources and/or expertise in order to help provide and deliver public-sector assets and services. The concept of PPP embraces many forms of partnership including PFI.

Public Private Partnerships Programme (4ps)

4ps is local government's project delivery specialist. 4ps works in partnership with all local authorities to secure funding and accelerate the development, procurement and implementation of PFI schemes, public private partnerships, complex projects and programmes. 4ps' multidisciplinary team provides hands-on project support, gateway reviews, skills development and best-practice know-how. 4ps is providing support to local authorities for the BSF programme, through its Expert Client programme.

Sample Schools

A small number of schools chosen by the local authority as a cross-section of the type of schools the LEP will be likely to deliver. Designs developed during the procurement process and form a significant part of the evaluation process to select the private sector partner.

School Organisation Committee (SOC)

The SOC considers individual statutory proposals for changes to schools (e.g. new schools, school closures, enlargements and additions of nurseries and sixth forms) until May 2007 when this role passes to the local authority.

Shareholders Agreement (SHA)

The agreement between the co-shareholders in the LEP (the local authority, BSFI and the private sector partner (PSP) which provides the basis for joint working within the Local Education Partnership (LEP), including their individual rights and obligations. It ignores the exclusivity granted to the LEP and sets out the safeguard for the public sector e.g. KPIs and continuous improvement so as to ensure ongoing value for money.

Special Purpose Vehicle (SPV)

The company that will be established by the LEP to operate and manage individual tranches of the BSF project. Its sole purpose will be the delivery of the tranche. It will deliver the services using either PFI or traditional funding.

Strategic Partnering Agreement (SPA)

The contractual agreement between the local authority and the Local Education Partnership (LEP) which sets out the details of the partnership working between them and defines key terms such as exclusivity and the new project approval process.

Standardisation of PFI Contracts (SoPC)

Guidance documentation and approved drafting produced by PUK on behalf of HM Treasury, which sets out national standards for PFI contracts. The fourth edition (SoPC4) was produced in April 2007 and is binding on all PFI-funded projects.

Strategy for Change (SfC)

The first formal component of the BSF approvals process. It is designed to capture both the local authority's strategy for secondary education and the requirements that strategy places upon the physical school estate.

Supported Capital Expenditure (Capital) (SCE(C))

This refers to capital grant usually paid by DCSF to local authorities through the standards fund.

Supported Capital Expenditure (Revenue) (SCE(R))

This refers to support to local authorities for borrowing for capital purposes, paid through a revenue stream by the Department for Communities and Local Government . The monthly payment made by the local authority to the provider over the lifetime of the project for the services received under the Project Agreement.

Transfer of Undertakings (Protection of Employment) regulations (TUPE)

TUPE is intended to safeguard the interests of an employee if the organisation they are working for transfers to another employer. Existing terms and conditions are automatically transferred to the new employer.

Wave

A group of BSF projects in a number of authorities with funding starting in a particular financial year.

If there is anything else you would like to see included in Enfield's BSF Jargon Buster, please contact:

Produced by Caroline Baker
BSF Project and Communications
Education, Children's Services and Leisure
London Borough of Enfield
7th Floor Civic Centre - Silver Street - Enfield - EN1 3XQ
caroline.baker@enfield.gov.uk
