

Brighton & Hove City Council

For general release

Meeting: Children & Young People's Overview & Scrutiny Committee

Date: 19 September 2006

Report of: Director of the Children and Young People's Trust

Subject: COMART PFI scrutiny panel recommendations update

1. Purpose of the report

- 1.1 To report on progress against the recommendations of the COMART PFI scrutiny panel in their report of May 2005.

2. Recommendations

- 2.1 To note the contents of the report.

3. Background Information

- 3.1 During 2004 and the early part of 2005 the COMART PFI Scrutiny Panel undertook an investigation into the rationale of including East Brighton College of Media Arts in the Grouped Schools PFI contract. The investigation was time consuming and involved, with many people being interviewed over a considerable period of time. As a result of this it is not surprising that the remit of the panel evolved too and the remit ended up including looking at the management of the procurement process as a whole. The resulting report had six recommendations. It is against these six recommendations that we are now reporting.

4. Recommendations update

- 4.1 A summary of the findings of the scrutiny panel are shown below with the resulting recommendations, accompanied by an update on implementation of the recommendations.

4.2 Clarification of Roles

- 4.2.1 **Summary of Findings:** A protocol or 'framework' is required to clarify roles in managing the contract, especially between the Council and schools but also including the contractor, particularly in relation to the role of site managers. There should be a greater sensitivity to the role of schools who are not a party to the main contract, and the feeling by some schools in the past that

they have been excluded from decision making and have not had adequate support during building works. There needs to be greater recognition of the additional burden on head teachers and staff in handling building contract responsibilities whilst already managing a challenging school environment, especially if there are a high proportion of pupils with special needs. Also, education and pupil welfare during the operation of the contract should not depend on the approach or working culture of the schools or the relations between key school staff and the site managers. The Council should take a more proactive approach to fulfil its ultimate responsibility for the health of the school and the education of children.

Recommendation 1: A protocol or 'framework' is required before embarking on any PFI or similar major project in order to clarify the roles and expectations on all parties at the outset. This is particularly important in managing the relationship between the Council and the schools but should also include the role of the contractor (site manager).

4.2.2 **Implementation Update:** At the time of the report Children, Families and Schools Committee responded by agreeing with the recommendation and giving assurance that a framework would be incorporated in any future project. This remains the case, however it is not envisaged at the present time that the Children and Young Peoples Trust will embark on another PFI contract in the foreseeable future.

4.3 Council to take more proactive role and ensure appropriate staff are in place

4.3.1 **Summary of Findings:** The capacity of the Council's officers to manage the contract effectively is a key factor and the Local Authority needs to take a pro-active approach to this, ensuring that the appropriate staff are in place to see the project to successful completion. Staff need to take responsibility for ensuring education and pupil welfare can continue adequately whilst building works proceed. These staff must have appropriate skills, experience, training and the capacity to do the job. Continuity in the process is a key factor and should staff leave during the initial phases of the project the capacity must exist to train and brief new staff. Ideally there should be a period during which responsibilities are handed over.

Recommendation 2: A senior leadership position is required from the Council (an officer of the Children, Families and Schools department) to work in liaison with the Head teacher or appropriate senior representative from the school throughout the operation of the contract.

4.3.2 **Implementation Update:** At the time of the report Children, Families and Schools Committee responded by clarifying that part of the role of the PFI project manager was to liaise with the head teachers concerning the operation of the contract, although during the build phase the schools management would take a more proactive role.

- 4.3.3 This remains the case, with the PFI project manager still being responsible for liaising with the head teachers, or senior representatives from the school on matters relating to the contract. The PFI contract is now in the service delivery phase and meetings with the schools continue on a monthly basis. An additional member of staff has just been appointed (on a part time basis) to assist with the monitoring of the contract and to create a rolling programme of audits to ensure compliance with the contract.

Recommendation 3: Continuity of staff is crucial. When key staff leave, they should fully train/brief new staff replacing them before they leave. Mechanisms should be in place for staff cover from elsewhere if posts are not filled immediately.

- 4.3.4 **Implementation Update:** At the time of the report Children, Families and Schools Committee responded by agreeing that this was desirable but not always achievable. Should the Children and Young Peoples Trust embark on a similar project every effort would be made to ensure continuity of staff. However this cannot be guaranteed owing to a number of factors such as the timescales involved in recruiting new staff and the difficulties in arranging internal secondments.

4.4 Greater ability of schools to influence content of the plan

- 4.4.1 **Summary of Findings:** If PFI is to be used in future there should be one school per contract, if possible, to enable schools to better influence the choice of plan and proposals. When schools are grouped together for PFI or similar, not everybody may agree that the plan from the chosen contractor is right for their school. Any subsequent changes to the plan, which is perceived as the agreed plan, need to be fully discussed with all relevant parties.

Recommendation 4: One school per contract if possible for any future PFI or similar project.

- 4.4.2 **Implementation Update:** At the time of the report Children, Families and Schools Committee responded by agreeing that this would greatly simplify the process but recognised that the governments requirement for PFI contracts to be above a certain value would probably preclude many schools from benefiting from such investment unless it was as part of a grouped schools package.
- 4.4.3 This remains the case, however it is not envisaged at the present time that the Children and Young Peoples Trust will embark on another PFI contract in the foreseeable future.

Recommendation 5: All parties must be involved in any plan changes. There must on-going dialogue and plans should never be changed without consulting schools first.

4.4.4 **Implementation Update:** At the time of the report Children, Families and Schools Committee responded by agreeing that there was some weakness in this area brought about by the pressure to reach financial close before the deadline.

4.4.5 Should the Children and Young Peoples Trust enter into such a project again in the future every effort would be made to ensure that schools were involved or informed of any changes brought about by negotiations. However it must be recognised that there may be instances where full consultation with the schools may not be possible because of deadlines.

4.5 More inclusive decision making structure

4.5.1 **Summary of Findings:** A suitable structure needs to be in place to inform the process and to provide greater transparency and opportunities for expression of doubt by all stakeholders and a scrutiny of the process at that stage. Alternative options should be fully explored, e.g. extension of more popular schools, contraction or closure of underachieving schools and the consequences, e.g. possible financial risks or closure, of those are fully understood by those taking the decisions at that time. The Committee structure now in place would facilitate this. However, a Forum or other more inclusive body may be appropriate to ensure the involvement of all relevant stakeholders

<p>Recommendation 6: There should be a suitable structure to inform the process ensuring greater transparency/opportunities for expression of doubt by all stakeholders and scrutiny of the process.</p>

4.5.2 **Implementation Update:** At the time of the report Children, Families and Schools Committee responded by agreeing completely with this recommendation.

4.5.3 This remains the case, however it is not envisaged at the present time that the Children and Young Peoples Trust will embark on another PFI contract in the foreseeable future.

COMMITTEE REPORT – APPENDIX

Meeting/Date	Children & Young People’s Overview & Scrutiny Committee,
Report of	The Director of the Children and Young People’s Trust
Subject	COMART PFI scrutiny panel recommendations update
Wards affected	All

Financial implications There are no direct financial implications arising from the recommendations. <i>Finance officer consulted: Patrick Rice Date: 8 September 2006</i>	
Legal implications There are no legal implications arising as a result of this report	
Corporate/Citywide implications	Risk assessment
Sustainability implications	Equalities implications
Implications for the prevention of crime and disorder -----	
Background papers	
Contact Officer Gillian Churchill, Head of Capital Strategy and Development Planning, 29-3515	