



Grouped Schools PFI : Future oversight and management of the Project

RECOMMENDATION

- 1.1 That the PFI Programme Manager, the Pride Park Project Manager, and the Head of Education Asset Management Planning be nominated to represent the Authority on the Project Liaison Group.
- 1.2 That the Chair of the Project Liaison Group for the period February to July 2005 inclusive should be the Director of Corporate Services.
- 1.3 That future membership of the Council's Project Board remains as now, with the addition of a representative of the teaching trade unions.
- 1.4 That the Council's Project Board be agreed as the forum through which the Authority's representatives on the Project Liaison Group be advised of the Council's position on matters to be considered by the Project Liaison Group.
- 1.5 That a termly newsletter reporting the work of the key Project forums be prepared, and distributed to all stakeholders.
- 1.6 That Council Cabinet invite a Ward Member from the wards in which the schools are situated, to each of the five School Liaison Groups, that the second nomination be the PFI Programme Support Officer, and that the third nomination be the PFI Liaison Officer to be appointed within the Education Service.
- 1.7 That the arrangements for management of the next phases of the Project be determined by the existing Project Board in conjunction, as necessary, with the Project Liaison Group.

REASON FOR RECOMMENDATIONS

- 2.1 The Project Agreement between the Council and Derby School Solutions Ltd, and the Governing Body Agreement between the Council and each of the five schools, regulate the development and implementation of the Project.
- 2.2 The Project Liaison Group (PLG) and School Liaison Groups (SLG), represent forums which **must** be established under the terms of the agreements.
- 2.3 There is still a role for the existing Project Board. This will be much reduced from what it has been to date, and will concentrate on overseeing the Project as a whole,

ensuring liaison arrangements work effectively in all five schools, and briefing where necessary the Council's three representatives on the Project Liaison Group.

- 2.4 Cabinet will wish to consider the extent to which Elected Members should form part of Authority representation on the School Liaison Groups, and consider whether to invite one Ward Member to be part of that representation.

SUPPORTING INFORMATION

Project Board and Project Liaison Group

- 3.1 The Schools PFI Project is currently overseen on behalf of the Council by the Project Board, membership of which is as follows:
- Cabinet Member for Lifelong Learning
 - Director of Corporate Services
 - Director of Finance
 - Director of Education
 - representatives of the Project schools
 - a representative of the non-teaching trade unions
- 3.2 The signing of the Project Agreement between the Council and Derby School Solutions Ltd (DSS) on 23 December 2004, signals the start of the next phases of the Project – construction and the provision of Interim Services – which require changes to the responsibilities and functions currently undertaken by the Project Board as indicated in paragraph 2.3. It is recommended that the Board is made up of:
- Cabinet Member for Lifelong Learning
 - Director of Corporate Services
 - Director of Finance
 - Director of Education
 - a teaching trade union representative
 - a non teaching trade union representative
 - representatives of the Project schools.
- 3.3 It is anticipated the Board will meet termly, and that school representation will be decided by the Heads and Chairs of the Project schools, within a framework to be determined by the Board.
- 3.4 Schedule 10 of the Project Agreement (Liaison Procedure), sets out the functions, role and conduct of the PLG, and a copy of the full Schedule is attached at Appendix 2 to this report. Key elements of the work of the PLG will be highlighted at the meeting of Cabinet.
- 3.5 Clauses 1.1 and 8 respectively of Schedule10, deal with the number of Authority (and Contractor) representatives, and arrangements for the nomination of the Chair as follows:

Clause 1.1

'The Authority and the Contractor shall establish and maintain throughout the Contract Period a project liaison group (the "Project Liaison Group"), consisting of three representatives of the Authority, three representatives of the Contractor, a chairman

(the “Chairman”), and, where a majority of the Project Liaison Group so determines, additional members being properly qualified to participate in discussions relating to any particular matter, these members having no voting rights, which shall have the functions described below.’

Clause 8

‘The Chairman of the Project Liaison Group shall be nominated by the Authority and by the Contractor alternately every six months during the Contract Period (commencing with the Authority). The Chairman shall be in addition to each party’s representatives on the Project Liaison Group. The Chairman shall not have a vote.’

- 3.6 With the Agreement now signed, the need for a joint approach between the Council and DSS with regard to implementation of the Project becomes of critical importance, through a forum which allows both parties to consider progress and issues of concern, and agree appropriate courses of action. The PLG provides such a forum, and representation at Council PFI Programme, Project Management, and Education Service levels is an appropriate means of ensuring continuity across the Project stages.

School Liaison Groups

- 3.7 Schedule 1 to the Governing Body Agreements (Liaison Procedure) sets out the composition, functions, role and conduct of the School Liaison Groups (SLG), which must be established at each of the five schools in the Project. A copy of the full Schedule is attached at Appendix 3.
- 3.8 Clauses 1.1 and 8 respectively of Schedule 1, deal with the number of Authority (and School) representatives, and arrangements for the nominations of the Chair as follows:

Clause 1.1

The Authority and the Governing Body shall establish and maintain throughout the Contract Period a liaison group (the “School Liaison Group”), consisting of three representatives appointed by the Authority, three representatives appointed by the School, and, where a majority of the School Liaison Group so determines, additional members being properly qualified to participate in discussions relating to any particular matter, these members having no voting rights, which shall have the functions described below.

Clause 8

The chairman of the School Liaison Group (“the Chairman”) shall be nominated by the Authority and by the Governing Body alternately every six months during the Contract Period from the members of the school Liaison Group (commencing with the Authority). In the event of an equality of votes, the Chairman shall not have a casting vote.

- 3.9 The Council’s PFI Programme Manager and Programme Support Officer are currently involved in a series of meetings with the governing bodies, seeking to identify the names of the three school representatives to the SLGs, (who need not be governors of school).

It is anticipated that all school representatives will be in place by the end of February at the very latest.

3.10 Key elements of the work of the SLGs will be highlighted at the meeting of Cabinet, but members will wish to be aware that the groups should meet at least once every term during the Works Period (construction – a period ranging from between one and two years), ‘...and thereafter at such intervals as the School Liaison group shall determine.’

3.11 The work of the SLGs is likely to embrace, at least from time to time, issues of a specific or general nature affecting the local community as a whole, and in that respect it is appropriate that a Ward Member should be able to contribute directly to those discussions.

3.12 The Wards concerned are as follows:

- Alvaston (Lakeside Community Primary)
- Boulton (Merrill College)
- Derwent (Da Vinci Community College)
- Normanton (Hardwick Primary)
- Sinfen (Sinfen Primary)

3.13 Members will find it helpful to know that for both the PLG and SLGs the clauses of the respective schedules allow for ‘...additional members being properly qualified to participate in discussions relating to any particular matter, these members having no voting rights...’

In this context, once established, the core membership of the PLG and the SLGs will be asked to extend invitations to representatives of teaching and non-teaching trade unions (in addition to other additional members) where they are not already represented within the core membership.

3.14 Finally, although not a matter requiring a decision of Council Cabinet, Members will find it helpful to be aware that in addition to the arrangements for the PLG and SLGs, Clause 13 of the Project Agreement is concerned with site meetings. The provisions of that Clause are as follows:

Clause 13

The Contractor shall procure that representatives of the Authority are afforded an opportunity to attend site monthly meetings relating to the Works and (whether or not such representatives have attended) that a copy of the minutes of site meetings is promptly supplied to the Authority.

Project management

3.15 Within the terms of the Project Agreement, the Council is obliged to notify DSS of the name of the Authority’s Representative, with DSS under the same obligation.

3.16 Accordingly, DSS has been notified that until further notice the Authority’s Representative will be the PFI Programme Manager.

- 3.17 It is anticipated that in due course, probably towards the end of the current school year, this role will transfer to the Pride Park Project Manager, and thereafter to the PFI Liaison Officer.
- 3.18 It is not necessary, or indeed possible at this stage to be precise about the exact timings of these transitional arrangements, but measures are being, and will continue to be put in place, to ensure that the various individual posts and groupings involved, work together across the Council to support effective implementation of the Project.

OTHER OPTIONS CONSIDERED

4. None. The arrangements proposed in this report represent a balance between those required by the Project and Governing Body Agreements, and those 'internal' to the Council in order to safeguard its best interests.

For more information contact:

Officer Mike Melliush Tel 01332 255533
e-mail Mike.Melliush@derby.gov.uk

Background papers:

None

List of appendices:

Appendix 1 – Implications
Appendix 2 – Schedule 10 of the Project Agreement
Appendix 3 – Schedule 1 of the Governing Body Agreements

IMPLICATIONS

Financial

- 1 None arising directly.

Legal

2.1 The Project Agreement, which includes the terms and conditions relating to the establishment and maintenance of the Project Liaison Group, is a certified contract for the purposes of the Local Government (Contracts) Act 1997.

2.2 The agreements between the Council and each governing body stipulate, by way of background that:

‘In order for the Authority to enter into the Authority Documents it is necessary for the Governing Body to authorise the Authority to do so insofar as the Authority Documents relate to the School.’

‘The Governing Body has decided that it is in the interests of the School that the Authority should enter into the Authority Documents insofar as they relate to the School from year to year under the Schools Standards and Framework Act 1998.’

Personnel

- 3 Provision has been, and will be made within the Education Service to establish the post of PFI Liaison Officer referred to in this report. The prime role of this post will be to liaise with and support schools through the PFI process, represent the Council on School Liaison Groups, and take responsibility for the Project after the construction phase for individual schools is completed.

Equalities impact

4. None arising directly.

Corporate objectives and priorities for change

5.1 The Project accords with the Council’s objectives of:

- **Education** – where provision responds to people’s needs, so they can develop skills and knowledge all through their lives, leading to better life choices and chances
- **A healthy environment** – with reduced water, air and land pollution levels through encouraging people to cut waste, use public transport more and recycle more.

5.2 In addition, the Project reflects the following priorities for change:

- ...increase value for money

- tackle under achievement in schools
- improve customer service through a customer-focused culture, using new technology and investing in our buildings.