

PROCUREMENT PROGRESS

Cabinet agreed on 17 June a short-list of 2 bidders. The 2 consortia are:

Alpha Schools – a consortium formed by the awg group. Group companies include Anglia Water, Morrisons (a company with significant PFI experience) and Norwich CityCare. Initial construction would be done by May Gurney.

Jarvis – a consortium formed by the Jarvis group. This group has more education PFI experience than any other. Initial construction would be done by RG Carter.

The Invitation to Negotiate (ITN) setting out bidding requirements has been sent to the short-listed bidders. A series of meetings will begin shortly to clarify requirements, confirm the project timetable and agree logistical issues such as arranging school visits.

INVITATION TO NEGOTIATE (ITN)

The ITN states the bidding requirements. The ITN includes a draft contract based on the standardised PFI contract produced by the DfES.

The current version of the ITN is a draft. Following consultation and clarification with bidders a final ITN will be issued to bidders and schools will be sent a hard copy of this. Schools will shortly be sent a summary of the current draft. The full draft ITN is on the public LEA website (address below).

Most ITN requirements are stated as outputs not inputs, i.e. bidders are told the required result, but not how to achieve this. There are exceptions to this where the LEA has specific requirements. For instance the ITN states the expectation that schools with existing specialist facilities should not lose these as a result of reorganisation. This addresses a particular concern of Middle schools.

SCHOOL CAPACITIES

The ITN includes a statement of the required capacity for each school, i.e. the number of pupils the school must be able to accommodate. Capacities will be assessed using the DfES measurement of sufficiency.

Most capacities reflect the Cabinet decisions in May about school reorganisation. The final ITN will include any adjustments due to minor changes to the Cabinet decision, for instance to reflect changes to catchment areas. For schools unaffected by reorganisation the capacities reflect current intake numbers and pupil projections.

Any school that thinks their stated capacity is not realistic should contact Matthew Rathbone as soon as possible.

EFFECT ON SCHOOL BUDGETS

The last newsletter mentioned historical cost of PFI services. Consultations next term will also cover the distribution of total PFI costs between schools. Principles being considered for the split include:

- Costs should relate to pupil numbers, i.e. schools with falling pupil numbers over time would pay less (and rising would pay more).
- Transitional arrangements to ensure no sudden increases / decreases against historic costs.
- Separate payments for evenings / weekends (as schools have very different needs for this).

Schools considering using formula capital before the PFI project takes effect should aim to ensure work done complements likely PFI proposals. Some schools may wish to consider retaining formula capital to enhance PFI proposals.

FURTHER INFORMATION AVAILABLE

Esinet

PFI information is on both the schools Esinet and the public website at www.esinet.norfolk.gov.uk/pfi The Frequently Asked Questions document gives a number of sources for further information. Suggestions would be welcome for additional information that could usefully be added to the website.

If you would like any further information about PFI please contact:

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