

THE CABINET

Tuesday, 23 November 2010

**Agenda Item 12. Building Schools for the Future - Progress Report
(Pages 1 - 41)**

**Agenda Item 13. Governance Arrangements for New Joint Venture
with Agilisys (Pages 43 - 55)**

Contact Officer: Alan Dawson
Telephone: 020 8227 2348
Minicom: 020 8227 5755
E-mail: alan.dawson@lbbd.gov.uk

This page is intentionally left blank

CABINET**23 NOVEMBER 2010****REPORT OF THE CABINET MEMBER FOR CHILDREN AND EDUCATION**

This report is submitted under Agenda Item 12. The Chair will be asked to decide if it can be considered at the meeting under the provisions of Section 100B(4)(b) of the Local Government Act 1972 as a matter of urgency as the arrangements need to be in place before the next meeting of the Cabinet.

Title: Building Schools for the Future (BSF) Progress Report	For Decision
<p>Summary:</p> <p>The BSF Local Education Partnership (LEP) procurement is complete and Financial Close has been reached where contracts have been signed to create the LEP, the Private Finance Initiative (PFI) scheme for Dagenham Park Church of England School and enter into a Design and Build (D&B) scheme for The Sydney Russell School. The Council has entered into supporting financial agreements which are detailed in the report below. These documents are consequential upon the decisions reached by the Cabinet on 28 September 2010. This report confirms these, and indicates the commitments that are necessary for the BSF schemes to continue.</p> <p>The contract formation process is underpinned by a Promissory Note from Partnerships for Schools (PfS) which sets out the finance available, but is conditional on the Council supporting the delivery of the projects via the project management arrangements set out in the Final Business Case i.e. the BSF team and the delivery of an electronic 'reference document' of the legal documents. When PfS has this document it may then issue the Funding Approval letter. This letter enables the Council to reclaim payments on the D&B scheme in arrears, and the Revenue Support Grant for the PFI scheme at the time the scheme becomes available for service.</p> <p>Subsequent to Financial Close, the Department for Education (DfE) wrote to Local Authorities (LAs), asking that all existing BSF Schemes be reviewed with a view to finding significant savings. A review of the two schemes discloses that there are few savings of any significance, and indeed there would be considerable costs in varying either the PFI contract or the D&B contract.</p> <p>Review of the schemes shows also that, given the demographic pressures the Council faces there would be an advantage in adding to the investment of The Sydney Russell School to create an extra 2 Forms of Entry (2FE) since this would save more than £3m in potential costs. The school has indicated it is willing to fund this additional space from its own resources by a combination of spending its own funds and borrowing from the Council and paying this money back over a period of 5 years. Retention of some of the existing buildings at Dagenham Park CofE School might be considered also, for a similar purpose, which would also save costs that would be inevitable in future.</p> <p>The BSF ICT Project has concluded negotiations with the Selected Bidder (RM) for the supply of ICT equipment and resources to the two sample schools, funded entirely by capital grant, and a range of optional additional services for all schools.</p>	

Wards Affected: All Wards for the obligations under the LEP contract and Parsloes and River wards for the two sample schools.

Recommendation(s)

The Cabinet is recommended to:

- (i) Confirm the documents signed at Financial Close as set out in Appendix 1.
- (ii) Approve the approach to DfE requests for savings, which discloses that there are few savings of any significance, and indeed there would be considerable costs in varying either the PFI contract or the D&B contract, and the possibilities of claims for loss of profit being made.
- (iii) Support the proposal for the expansion of The Sydney Russell Comprehensive School by two forms of entry as part of the D&B Contract, to be funded by the School from its own resources and via a loan from the Council to the School;
- (iv) Approve the inclusion of £800,000 in the Council's Capital Programme to facilitate the loan to the School on the terms outlined in the report; and
- (v) Approve the entering into of the BSF ICT Contract with the Selected Bidder, RM Limited, for the supply of ICT equipment and resources to the two sample schools funded by capital grant, and to provide for optional additional services for all schools, funded from school budgets.

Reason(s)

This report completes the BSF LEP process and will assist the Council in achieving its core values of: 'Achieving Excellence' 'Treating each other fairly and respectfully through improved school performance and better facilities to support community use of school facilities.

Comments of the Chief Financial Officer

The terms agreed at financial close were within the outline business case originally approved ensuring the scheme is affordable.

The proposal to expand the existing capacity at Sydney Russell offers a better value for money solution than the main other solutions. Sydney Russell are proposing to put forward £600k from their own resources towards the capital project. The School currently has £543k carried forward in the revenue balances as at the end of 2009/10. The balance will be made up of other ring fenced standards fund capital grants.

The School are requesting funding of £800k, to be repaid over of 5 years, plus interest. The rate of interest will be linked directly to the interest rates set by the Public Works Loan Board (PWLB), which will be increased by 1% as a result of the Comprehensive Spending Review.

In order for the School to repay this loan, the school will receive additional formula funding for the additional 60 children. Based on the current levels of funding, the School is likely to receive an additional £180k per year in the first few years, increasing as the year group

progresses through to Key Stage 4. Although there will be costs associated with teaching the children, the school will benefit from some economies of scale. In addition, the School will be making additional efficiency savings within the current Senior Management structure which will be in place from 2012 onwards. Through a combination of both measures, the school will be in a position to repay the loan over a 5 year period.

The ICT programme will be funded entirely from capital grant. All additional ICT services will be funded by schools from their own budgets.

Comments of the Legal Partner

The Legal Partner (Procurement Property and Planning) attended the LEP BSF Financial Close event on 28th October 2010 and sealed the BSF LEP contractual documentation on behalf of the Council.

The Legal Partner confirms that the list at Appendix 1 is an exhaustive list of the contractual documentation executed by the Council at Financial Close.

The report states that subsequent to Financial Close, the Department for Education (DfE) wrote to Local Authorities, asking that all existing BSF Schemes be reviewed with a view to finding significant savings.

The report confirms that a review of the Council's two BSF Schemes (The Sydney Russell School scheme, and Dagenham Park School scheme) has been undertaken and it has been established that any potential reductions of the Council's BSF schemes would be insignificant and costly to implement, and may involve some risk of claims against the Council for loss of profit.

The report further states that the review of the Councils two BSF Schemes has indeed highlighted that, given the demographic pressures the Council faces, better value would be obtained by a further investment in additional accommodation for a further 2FE at The Sydney Russell School to avoid inevitable future costs.

It is recommended that Cabinet approve the BSF team's approach to DfE's request to find savings on the Council's BSF Schemes i.e. that any potential reductions would be insignificant and costly to implement, and that better value would be obtained by further investments in additional accommodation for a further 2FE at The Sydney Russell School to avoid inevitable future costs.

The report confirms that The Sydney Russell School has indicated a willingness to fund this additional accommodation from its own resources and by borrowing from the Council.

The Cabinet Member for Children and Education is recommending that Cabinet approves borrowing by the Council to the extent necessary to support the proposal to expand the Sydney Russell School by 2FE, with a view to lending the money so borrowed to the School to add to its own resources, for the purpose of implementing the proposed expansion. It is anticipated that The School will pay back its borrowings over a period of 5 years.

The Local Government Act 2003 allows local authorities to borrow to invest in capital works and assets so long as the cost of that borrowing is affordable and in line with principles set out in the Prudential Code.

The final recommendation of the report is seeking Cabinet's approval to enter into the BSF ICT Contract with the Selected Bidder (RM Limited) for the supply of ICT equipment and resources to the two sample schools funded by capital grant, and to provide for optional additional services for all schools, funded from school budgets, upon approval of the BSF ICT Final Business Case which has been submitted to Partnerships for Schools for review.

Cabinet at its meeting held on 8th June 2010 had approved the appointment of RM Limited as the Selected Bidder in respect of the BSF ICT procurement. At that time it was envisaged that the value of the contract to be let would be £25m, based on anticipated funding.

The Secretary of State subsequently announced a reduction in the anticipated BSF ICT capital funding from £25m to £4.5m to cover the sample schools only, as opposed to the entire school estate as previously envisaged by the OJEU notice issued in respect of the contract.

External legal advisers to the Council's BSF Programme (Eversheds) identified a risk that this significant reduction in funding may leave the Council open to challenge on the basis that there has been a material change in the scope of the contract, meriting a re-tender of the contract.

Eversheds have however advised that re-tendering the contract also carries a risk of a possible legal challenge from the appointed Selected Bidder. Re-tendering would also involve a further procurement cost to the Council estimated at £175,000, and would introduce a significant delay in securing an ICT partner which the Council cannot afford as there is a real likelihood that the approved capital grant may be withdrawn or reduced in the event of any further delay in completing the procurement.

Eversheds have confirmed that the procurement risk associated with continuing with the procurement process, following the reduction in funding, has been mitigated by retaining the full scope of the original contract, but separating out those elements relating to capital investment from those elements relating to managed services, with the latter now being optional and deliverable subject to funding by the respective schools, under terms to be agreed with schools within the period of the contract, but with no obligation on the part of schools or the Council to commission the services.

The Council has, submitted a Final Business Case (FBC) to Partnerships for Schools (copy attached as Appendix 3 to this report) for approval as it is required to do prior to the release of BSF Funding, on this basis.

<p>Head of Service: Susan Lees</p>	<p>Title: Divisional Director of Strategic Asset Management and Capital Delivery</p>	<p>Contact Details: Tel: 020 8227 3300 E-mail: sue.lees@lbbd.gov.uk</p>
<p>Cabinet Member: Rocky Gill</p>	<p>Portfolio: Deputy Leader of the Council and Cabinet Member for Children and Education</p>	<p>Contact Details: Tel: 07971988651 E-mail: rocky.gill@lbbd.gov.uk</p>

1. Background

- 1.1 The Cabinet at its 28 September 2010 meeting approved the Final Business Case which enabled the project to move forward to Financial Close together with LEP formation and entering into the BSF Contracts and the financial commitments entailed by the LEP and Special Purpose Vehicle (SPV) formation to operate the PFI facilities at Dagenham Park Church of England School (CofE) School.
- 1.2 The BSF Local Education Partnership (LEP) procurement is complete and Financial Close (28 October 2010) was reached where the above contracts have been signed to create the LEP, create the Private Finance Initiative (PFI) scheme for Dagenham Park CofE School and enter into a Design and Build (D&B) scheme for The Sydney Russell School. The Council has entered into supporting financial agreements which are detailed in Appendix 1. These documents are consequential upon the decisions reached by the Cabinet on 28 September 2010.
- 1.3 This report confirms these, and indicates the commitments that are necessary for the BSF schemes to continue. Promissory Note from Partnerships for Schools (PfS) which sets out the finance available, but is conditional on the Council supporting the delivery of the projects via the project management arrangements set out in the Final Business Case i.e. the BSF team and the delivery of an electronic 'reference document' of the legal documents. When PfS has this document it may then issue the Funding Approval letter. This letter enables the Council to reclaim payments on the D&B scheme in arrears, and the Revenue Support Grant for the PFI scheme at the time the scheme becomes available for service.
- 1.4 Subsequent to Financial Close, the Department for Education (DfE) wrote to Local Authorities (LAs), asking that all existing BSF Schemes be reviewed with a view to finding significant savings (see Appendix 2).
- 1.5 A review of the two schemes discloses that there are few savings of any significance, and indeed there would be considerable costs in varying either the PFI contract or the D&B contract, and the possibilities of claims for loss of profit being made.
- 1.6 Moreover, given the increased demand for school places, there would advantage in adding to the investment of The Sydney Russell School to create an extra 2FE. This would cost £1.4m possibly up to c£2m. It would be reasonable to expect that 2FE would cost normally of the order of £5m to £6m and thus would save more than £3m in potential costs. The School has indicated it is willing to fund this additional space from its own resources by a combination of spending its own funds and borrowing from the Council and paying this money back over a period of 5 years. The Cabinet is asked to approve borrowing to cover the school's proposed borrowings from the Council.
- 1.7 Retention of some of the existing buildings at Dagenham Park CofE School might be considered also, for a similar purpose, which would also save costs that would be inevitable in future.
- 1.8 Following Cabinet approval for the appointment of RM as selected bidder for the BSF ICT procurement on 8 June 2010, and a Cabinet report on progress of the BSF Project on 28 September 2010, commercial negotiations with RM have now been

concluded, and the Final Business Case for the ICT project has been submitted to Partnerships for Schools for approval.

- 1.9 The capital grant for ICT for the two sample schools is £4.549m and this is the value of the contract with RM.
- 1.10 Unlike the original proposals for ICT, which involved a capital grant and a managed service for all secondary and special schools for 8 years worth £41m, the funding announcement by the Secretary of State on 24 July 2010 limited the funding to the sample schools only, and removed the obligation for schools to become part of a full managed service.
- 1.11 A review of the contract, and its commercial prospects was undertaken by the BSF Project Team to see if there was a change of scope and value between the OJEU and the contract to be closed. This assessment was needed to determine whether there had been a material change in scope which merits a re-tender.
- 1.12 All the secondary schools in the borough were consulted and they advised that their intentions remained the same, in principle: namely to continue to invest in ICT capital as anticipated in the OJEU notice and to enter into a managed service contract. The value of the capital investment might be up to £25m in capital. The two sample schools have been offered £4.5m by PfS and the other schools are estimated to spend up to a similar pro rata figure from their own resources. This is similar to the £25m in (the region of) stated in the OJEU notice. The managed service is risk priced, at high performance standards in the OJEU notice at £140 per student per year. Actual spends are about £90 per student per year ex risk, at lower performance standards. The evaluation criteria which were used during the procurement process are still valid and justified.
- 1.13 This has been managed by retaining the full scope of the original contract, but separating out those elements relating to capital and those elements relating to services. The latter are optional and can be delivered under terms to be agreed with schools within the period of the contract, with no obligation on the part of schools or the Authority. On this basis, it is felt that the risk of a change of scope has been minimised. Whilst there is always the possibility of a legal challenge from a potential bidder, the risk of a successful legal challenge has been mitigated as far as practicable. There is a risk of a successful challenge, but this depends on market factors and the appetite to challenge, and remains subject to evolution of the law."
- 1.14 In any event, a new procurement also carries a risk of a possible legal challenge from the previously appointed selected bidder; secondly there would have been a further cost to the Council which has been estimated as being in the region of £175,000; thirdly this would have introduced a significant delay in securing an ICT partner, and not being able to back off the obligations that the Council is committed to with the LEP around the interface between the construction and the ICT; and fourthly, there has been, and still remains, a risk that the approved capital grant may be withdrawn or reduced in the event of any further delay and in the absence of a completed procurement.

2. Proposals

- 2.1 The contract formation process is underpinned by a Promissory Note from Partnerships for Schools (PfS) which sets out the finance available, but is conditional on the Council supporting the delivery of the projects via the project management arrangements set out in the Final Business Case i.e. the BSF team and the delivery of an electronic 'reference document' of the legal documents.
- 2.2 When PfS has this electronic reference document it will then issue the Funding Approval letter. This letter enables the Council to reclaim payments on the D&B scheme in arrears, and the Revenue Support Grant for the PFI scheme at the time the scheme becomes available for service.
- 2.3 This report asks Cabinet to confirm the commitments entailed by the Promissory Note and to note the documents signed at Financial Close. These are given in Appendix 1 to this report. Promissory Note from Partnerships for Schools (PfS) which sets out the finance available, but is conditional on the Council supporting the delivery of the projects via the project management arrangements set out in the Final Business Case i.e. the BSF team and the delivery of an electronic 'reference document' of the legal documents. When PfS has this document it may then issue the Funding Approval letter. This letter enables the Council to reclaim payments on the D&B scheme in arrears, and the Revenue Support Grant for the PFI scheme at the time the scheme becomes available for service.
- 2.4 This report also asks the Cabinet to endorse the approach taken to DfE requests for savings indicated at paragraph 1.5. above, and also to approve the approach to future proofing the Council's obligations to provide school places at The Sydney Russell School outlined at paragraph 1.6. above. The Cabinet is asked to approve borrowing to cover the school's proposed borrowings from the Council.
- 2.5 This report also asks Cabinet to approve entering into a contract with RM for the supply of ICT equipment and resources to the two sample schools, funded entirely by capital grant, and for provision of optional additional services to all schools funded from school budgets under terms to be agreed at a later date between schools and RM.

3. Financial Issues

- 3.1 See Comments of the Chief Financial Officer

4. Legal Issues

- 4.1 See Comments of the Legal Partner (above)

5. Other Implications

- 5.1 The Procurement and Operation of the LEP, PFI contract and D&B contracts are subject to a comprehensive risk register and as far as practicable risks are managed to an acceptable level.
- 5.2 The procurement of the ICT contract has been undertaken alongside the procurement of the LEP, and has been subject to the same oversight and risk

management strategies.

- 5.3 Contractual issues: there no further contractual issues relating to the LEP Procurement beyond those covered in the report to Cabinet 28 September 2010.
- 5.4 Staffing Implications: there are no staffing implications. The BSF Contract no longer involves a managed service as a condition of capital funding, and therefore there is no TUPE unless schools opt for one or more of a range of additional services to be offered under the contract, but under terms to be agreed between RM and schools at a later date.
- 5.5 Customer Impact: an Equality Impact Assessment in the BSF programme has been run with regular review dates since 2006. This has disclosed that the impact of the BSF programme is positive on all counts of: race, equality, gender, disability, sexuality, faith, age and community cohesion, but it should be noted that the BSF programme is now limited to two sample schools which will limit the positive impact of the programme. The secondary schools and the Trinity Special School will not now have BSF funding applied to them. It is expected however, that central government will substitute to some extent new funding to invest in these schools.
- 5.6 Safeguarding Children: this proposal contributes significantly to the Council's objectives to improve the wellbeing of children in the borough, reduce inequalities and ensure children's facilities are provided in an integrated manner, having regard to guidance issued under the Children Act 2006 in relation to the provision of services to children, parents, prospective parents and young people. This decision would facilitate the implementation of this programme.
- 5.7 Crime and disorder: the Crime and Disorder Act places a responsibility on the Council, as a responsible authority, to have regard to crime and disorder reduction and prevention in all its strategies, policies and service delivery. The proposal will contribute positively in terms of the Council's objectives to ensure that all young people can make a positive contribution and that the borough is a safe place. The additional resources which BSF will bring to the community will positively impact in terms of youth and community engagement. In terms of proposed developments work will be undertaken with contractors to ensure that sites are secured and that any opportunity for crime is minimised.
- 5.8 Property and Assets: this proposed decision would facilitate the improvement and renewal of significant Council assets: School buildings and facilities on two sites.

6. Background Papers Used in the Preparation of the Report:

Executive Report 8 June 2010, Cabinet Report 28 September 2010; Executive Report 14 June 2010; Executive Report 25 March 2008, BSF Outline Business Case July 2009.

7. List of appendices:

Appendix 1: List of Legal and Financial Documents entered into at BSF LEP Financial Close

Appendix 2: Letter from the Secretary of State 8 October 2010

Appendix 3: Final Business Case for ICT

Contractual Documentation

Mayor and Burgesses of the London Borough of Barking and Dagenham

[Collateral Warranty between Plincke Landscape Limited, the Mayor and Burgesses of the London Borough of Barking and Dagenham and Laing O'Rourke Construction Limited.]

Authority Loan Agreement

Building Contractor Collateral Warranty between Laing O'Rourke Construction Limited, TPfL Project Co Limited and the Mayor and Burgesses of the London Borough of Barking and Dagenham

Collateral Warranty between Allford Hall Monaghan Morris Limited, the Mayor and Burgesses of the London Borough of Barking and Dagenham and Laing O'Rourke Construction Limited

Collateral Warranty between Building Design Partnership Limited, the Mayor and Burgesses of the London Borough of Barking and Dagenham and Laing O'Rourke Construction Limited

Collateral Warranty between the Mayor and Burgesses of the London Borough of Barking and Dagenham, Laing O'Rourke Construction Limited and Ove Arup & Partners Limited

D&B Target Cost Option Contract

FM Collateral Warranty between Laing O'Rourke Construction Limited, TPfL Project Co Limited and the Mayor and Burgesses of the London Borough of Barking and Dagenham

Funder Direct Agreement

Independent Certifier Appointment - (Sydney Russell - Non-PFI School)

Independent Certifier's Deed of Appointment (Dagenham Park - PFI School)

LEP Shareholders Agreement

Loan Note Subscription Agreement

Model Auditor Appointment

Project Agreement

Security Trust and Intercreditor Deed

Shareholders Agreement

Strategic Partnering Agreement

LGCA Certificate (Project Agreement)

LGCA Certificate (Direct Agreement)

Letter of Undertaking – Dagenham Park School

Letter of Undertaking – Sydney Russell School

Security Agreement b/w TPFL & Cooperative Bank (FM Contract)

Security Agreement b/w TPFL & Cooperative Bank (Building Contract)

TA Appointment

Board Minutes

Directors Certificate

Power of Attorney

Share Certificates

Updated Register of Members

LGCA Certificate (Project Agreement)

LGCA Certificate (Direct Agreement)

Letter of Undertaking – Dagenham Park School

Letter of Undertaking – Sydney Russell School

Security Agreement b/w TPFL & Cooperative Bank (FM Contract)

Security Agreement b/w TPFL & Cooperative Bank (Building Contract)

This page is intentionally left blank

Department for
Education

Sanctuary Buildings
Great Smith Street
Westminster. SW1P 3BT

tel: 0207 340 7961
lesley.longstone@education.gsi.gov.uk
www.education.gov.uk

29 October 2010

Colleagues


BUILDING SCHOOLS FOR THE FUTURE: NEXT STEPS

Last week the Chancellor announced the Department for Education's settlement in the Comprehensive Spending Review. This included £15.8 billion of capital funding over the four years of the CSR period. This represents a reduction of 60% by 2014-15, but, at an average of almost £4 billion per year, is still a high figure in historical terms. Spend above this level has been experienced only since 2004-05.

As you will be aware, on 5 July, the Secretary of State for Education announced a review of all Departmental capital expenditure. The review is aiming to make current processes cost-effective, and to identify a more efficient use of resources. The review has been consulting widely to understand the current process for allocating and distributing our capital expenditure. It has identified significant scope for savings and we are now in a position to apply early findings and principles for future capital expenditure to the pipeline of maintained school Building Schools for the Future (BSF) projects cleared to go ahead on 5 July and 6 August, while protecting the overall quality of local schemes.

We are not cancelling any specific school projects which were cleared to go ahead by the announcements on 5 July and 6 August. I do, however, anticipate that we will be able to identify significant savings on individual school projects. This follows the Secretary of State's announcement of 5 July, in which, referring to ongoing BSF projects, he said that he would "continue to look at the scope for savings in all these projects." To that end, I have asked Partnerships for Schools to work with local authorities to examine plans on a case-by-case basis. Decisions will be taken after we have held full discussions about options for savings in each area.

Partnerships for Schools Project Directors will be in touch very shortly to take this work forward. If you have any queries or concerns, please do not hesitate to contact me directly or Jane Cunliffe/Stuart Miller, the Deputy Directors in the DfE Central Capital Unit (jobshare.cunliffe-miller@education.gsi.gov.uk).

Yours sincerely,


Lesley Longstone
Infrastructure and Funding Directorate

This page is intentionally left blank



Final Business Case
(For approval to procure a partner to deliver ICT investment in the Sydney Russell and Dagenham Park CofE Schools)

London Borough of Barking and Dagenham

V.2.1

Document issued: 09/11/10 by SL



Contact Name

**James Hodgson,
BSF Project Director**

Contact Address

**Town Hall, Barking,
IG11 7LU**

TABLE OF CONTENTS

1	EXECUTIVE SUMMARY	4
1.1	Project Overview.....	4
1.2	Procurement/Competition.....	4
1.3	Finance and Affordability.....	4
1.4	Risk Allocation & Accounting Treatment.....	4
1.5	Contract & Payment Mechanism.....	4
1.6	Stakeholder Consultation.....	4
1.7	Statutory Processes.....	4
2	PROJECT OVERVIEW	5
2.1	Project Overview.....	5
2.2	The Corporate Vision.....	6
2.3	Strategic Overview.....	6
2.4	Key Estate Priorities.....	7
3	OBJECTIVES OF THE PROJECT	7
3.1	Project Description.....	7
3.2	Development of the ICT Output Specification.....	8
3.3	Scope of the solutions being delivered.....	9
3.4	The Phasing.....	10
3.5	ICT integration with the construction project.....	11
3.6	Sustainability.....	12
3.7	ICT and environmental sustainability.....	12
3.8	TUPE.....	13
3.9	Responsibility Matrix.....	13
4	PROCUREMENT & COMPETITION	13
4.1	Encouragement of Competition.....	13
5	FINANCE AND AFFORDABILITY	18
5.1	Value for Money (VfM).....	18
5.2	Affordability.....	18
6	RISK ALLOCATION & ACCOUNTING	20
6.1	Risk Allocation.....	20
6.2	Accounting Treatment – section not used.....	21
7	CONTRACT AND PAYMENT MECHANISM	22
7.1	Contractual Documentation and Derogations	22
7.2	The ICT Services Contract	22
7.3	ICT Payment Mechanism – Not Used.....	23
8	DEROGATIONS	25
9	STAKEHOLDER CONSULTATION & PROJECT MANAGEMENT	23

9.1 Stakeholder Consultation.....	23
9.2 Project Management.....	24
10 STATUTORY PROCESSES – section not used	26
APPENDICES	27
APPENDIX 1 – Risk Allocation Matrix & Risk Analysis	
APPENDIX 2 – Affordability Analysis.....	
APPENDIX 3 – Letter from Section 151 Officer.....	
APPENDIX 4 – Bid Evaluation Process.....	
APPENDIX 5 – Derogations.....	
APPENDIX 6 – Cabinet Approvals.....	
APPENDIX 7 – Implementation Timetable	
APPENDIX 8 – Copies of LA/School Agreements – Not Used.....	
APPENDIX 9 – TUPE Action Plan – Not Used	
APPENDIX 10 – Matrix of Responsibilities	
APPENDIX 11 – Financial and Technical Pro formas as applicable to ICT only	

1 EXECUTIVE SUMMARY

1.1 Project Overview

The Barking and Dagenham BSF ICT Project is to provide ICT equipment and resources to the Sydney Russell and Dagenham Park CofE Schools. This differs substantially from the original project as described in the OBC which was for equipment and resources, and a full managed service, for all schools. However, in order to capitalize on the procurement process, a range of optional and additional services will be offered by the ICT Contractor to all schools, which will be based on the original Borough-wide ICT Output Specification, and funded from schools' own resources.

1.2 Procurement/Competition

A full EU Competitive Dialogue procedure was used for this procurement, which was undertaken separately from, but in parallel to, the procurement of a Local Education Partnership for the construction of the two sample schools.

1.3 Finance and Affordability

The project is now for the sample schools only, with the same FAM funding as originally agreed for these schools. As such, the project remains affordable and represents value for money.

1.4 Risk Allocation & Accounting Treatment

Not used.

1.5 Contract & Payment Mechanism

The standard form ICT Services Contract has been used, with derogations agreed with PfS during the dialogue process. The final contract reflects the reduced funding envelope, the reduced number of schools, and the absence of a full managed service.

1.6 Stakeholder Consultation

The Barking and Dagenham BSF project has the full support of a wide range of stakeholders. The ICT requirements were arrived at by the schools themselves, and the BSF ICT Steering Group has played a key role in the decision making process for all aspects of the ICT project.

1.7 Statutory Processes

Not applicable

2 PROJECT OVERVIEW

2.1 Project Overview

- 2.1.1 The Barking and Dagenham ICT Project is to implement a common browser-based learning platform and integrated Management Information System in the sample schools but available to all schools across a new Wide Area Network, and to teachers, parents and pupils across the internet. BSF investment will be used to provide sufficient local networking and user devices to enable all staff and pupils in the sample schools to access the online environment wherever and whenever they need to within the school. This investment will be targeted in such a way as to bring about a step-change in the way ICT assets are purchased, deployed and managed in the sample schools.
- 2.1.2 For the sample schools, the Project will reduce the current dependency on frequent but spasmodic capital expenditure by greatly reducing the need for local processing. This will be achieved through moving away wherever possible from traditional processor intensive legacy applications to online content and online web-based applications and the concept of software as a service. This will have the effect of shifting ICT from a capital to a revenue base in future years, and will see life expectancy of user devices increase dramatically.
- 2.1.3 The Project involves a range of services to be offered to all schools: the Wide Area Network, the Learning Platform, the Management Information System (MIS) and a managed service. However, it will be up to individual schools whether they wish to purchase any or all of these additional services.

2.2 The Corporate Vision

- 2.2.1 The corporate priorities set out in the SfC2 and OBC remain valid. The vision for transforming the educational experience of children and young people is set out in the Children and Young People's Plan.
- 2.2.2 The vision seeks to narrow the gap between vulnerable and disadvantaged groups and the rest of the population, and ensure that all children and young people reach their full potential and can access opportunities to improve their educational and economic life chances, underpinned with world-class ICT.
- 2.2.3 The LA defines transformation as moving decisively from the current rate of progress to a new accelerated, more challenging trajectory. BSF investment will assist the LA in "turning the curve". Currently, the rate of improvement is satisfactory to good, but the gap is not being closed fast enough. BSF investment provides the impetus and resource to achieve the necessary, sustained, acceleration in the pace of change and progress on attainment. The investment in ICT is to give access to learning throughout the schools wherever and whenever it is needed, and also beyond the school gates and the school day.

2.3 Strategic Overview

- 2.3.1 All secondary schools have embraced the concept of 'anytime, any place' learning and a major feature of the Barking and Dagenham ICT strategy is the availability of a fully integrated and feature-rich Learning Platform linked seamlessly to online creativity tools, online content and a common management information system. This goal is shared by primary schools.
- 2.3.2 Both sample schools are to be based on a model of pedagogy which focuses on the concept of open, large classroom space throughout, allowing a "horseshoe" seminar-type desk arrangement, with no "back row". This minimises the disengagement of students who are disadvantaged because of their seating position, or their distance from the teacher, and it helps drive a more cohesive teacher-student classroom arrangement. This model facilitates a wide range of other classroom arrangements and is a crucial element of the BSF Programme.
- 2.3.3 This inclusive pedagogical model has largely been adopted across the schools, and has therefore impacted on the subsequent approach to the designs of the schools and their ICT strategy. Classrooms in the sample schools will make use of large, high-contrast wall mounted video displays, with generally much larger viewable area than a typical interactive whiteboard, which will be viewable by every student in the room, regardless of where they sit or if there is a light source reflecting off of the screen. The screens will be able to feature rich new media

content, and will be supported with the use of portable wireless slates, and visualisers. Significant evidence in LBBB's 4 year long ICT Test Bed Project, has shown the benefits of employing wireless technology and visualiser technology in the classroom.

- 2.3.4 Aside from the classroom structure, there are many other themes of commonality in the ICT strategy that will be widely adopted by LBBB schools, which is again reflected in the design work that has taken place. Making use of wireless networks and handheld devices in many of the schools will allow an open and free environment in which students and staff alike are able to access their work from outside the normal constraints that exist today.
- 2.3.5 Design of external play and covered areas has been considered in detail at all of the schools, to allow students the flexibility to access their personalised online networks from outside the boundaries of the classroom, when and where they want. This open ended design philosophy aims to build an element of future proofing to the school design, where it is envisaged that students will be becoming increasingly able to access their work, conduct research, and communicate with their fellow students and staff from over the entire school campus with the proliferation of wireless networking technology.
- 2.3.6 Security of students, staff and property is a key priority of this strategy. The open design of external space has focused on minimising areas that cannot be easily monitored by staff on duty, as well as the proposed CCTV technology, which will provide additional security outside of core school hours.

2.4 Key Estate Priorities

As far as the sample school estate is concerned, the construction of new buildings will include a passive ICT infrastructure using Category 6 cabling and sufficient power and data outlets to meet the individual schools' ICT Output Specification requirements, a fibre optic backbone linking all zones, and a resilient connection to the sites from the Wide Area Network. The passive infrastructure will be complemented by appropriate wireless access coverage across the sites.

3 OBJECTIVES OF THE PROJECT

3.1 Project Description

- 3.1.1 The Project has changed since the OBC, in that originally the intention was to provide capital funding for all schools based on £1450 per pupil for 'active' ICT devices, and an additional £225 per pupil for the passive infrastructure delivered through the LEP. The project now provides capital funding for the two sample schools only, and the provision of a

range of additional services for all schools to choose from, funded by their respective revenue budgets.

3.1.2 The contract length is now for five years, during which time schools are able to purchase the additional services.

3.1.3 The Wide Area Network, the Learning Platform and an off-site support service are included in the capital allocation for the two sample schools for a period of one year. This is to ensure that the ICT contractor is able to deliver the ICT solution to the sample schools and is held accountable for the performance of that solution.

3.2 Development of the ICT Output Specification

3.2.1 The BSF ICT Steering Group, with senior representatives from all schools and the Headteachers' ICT Champion, developed the ICT Output Specification. The LA facilitated the process through workshops and school based stakeholder engagement sessions, but the entire specification was written by the schools themselves. The LA did not produce a draft in advance, as it was thought that a 'blank sheet of paper' approach would produce maximum buy-in and ownership by schools. The final document was detailed and clear, offering bidders an unambiguous and demanding set of requirements to meet.

3.2.2 A key feature of the Output Specification was the common requirement for central services, interactive whole class teaching technologies, and wide and local area networking, and yet a wide diversity of requirements for user devices in schools based upon individual approaches to pedagogy. At no point was there an attempt to impose a ratio-based solution on schools based upon a particular type of user device.

3.2.2 Section 1b3 of the ICT Output Specification therefore includes reference to a wide range of user access resources. The LA and the schools believe that any new ICT infrastructure must be capable of supporting a hybrid landscape based upon particular local needs. Expressed in terms of today's technology, the hybrid landscape would include fixed and portable rich clients, and fixed and portable web clients. This hybrid landscape will be required within all schools, but the proportions of the various technology options will vary from school to school based upon their local needs. The ICT contractor is expected to be at the forefront of the delivery of web based applications, including feature-rich office applications, capable of the widest possible deployment to devices that are able to run a browser, including mobile phones.

3.2.3 Figure 1 shows, indicatively, how the different schools in Barking and Dagenham envisage learners accessing technology. The ICT solution needed to be flexible enough to cater for this variety of approach in the ways in which user devices would be deployed and accessed. In turn,

this would be likely to lead to flexibility and innovation during the period of the contract. All schools are shown for completeness, but the two sample schools are highlighted in the table.

Figure 1

Learner toolkits (for non-specialist general learner use)									
Schools:	AS	BA	DP	EK	EY	JR	RC	SR	WA
Portable standard form factor rich client	1000	1500	0	0	0	0	0	0	0
Fixed rich client or thin client	400	1500	1:1 in each class-room	1:1 In the school	1:1 in each class-room	1:1 in each class-room	1:1 in some class-rooms	1:1 in each class-room	1:1 in each class-room
Portable small form factor rich client	0	0	0	0	0	0	0	0	0
Portable small form factor web client	0	200	0	0	1700	0	0	0	1400
individual personal learner devices	No	Yes	No	No	Yes	No	No	No	Yes

3.3 Scope of the solutions being delivered

3.3.1 The scope of the ICT Output Specification is comprehensive, including all aspects of ICT in schools. As such, the scope includes MIS and connectivity to the National Education Network (NEN). It was assumed in the affordability modelling prior to procurement that WAN and connectivity revenue costs would rise significantly once responsibility transfers to the ICT Contractor. This proved not to be the case and both final bidders produced proposals for a new WAN that offered far better value for money than the existing arrangements.

3.3.2 Based on the experience of implementing the ICT Test Bed Project, the implementation of the LA-wide Learning Gateway and the existing costs borne by schools, published BSF pricing by supply chain providers such as broadband consortia, the LA believed that the requirements set out in the Output Specification were affordable, and this has proved to be the case.

- 3.3.3 The ICT Contractor will assume full responsibility for procurement, design and implementation for the sample schools' ICT requirements. and the Output Specification makes clear the expectations with regard to interoperability and the interface with partners.
- 3.3.4 The LA has no existing contracts for the supply of ICT services to schools and nor do individual schools have any contracts with other suppliers. As such there is no impediment to schools choosing to purchase from the range of additional services covered by the contract.
- 3.3.5 Although the decision was made to have a single accountable point of contact for all ICT services covered in the ICT Output Specification, prospective partners were expected to examine the current arrangements, particularly with regard to the data centre, connectivity and the Learning Gateway infrastructure, and to present Value for Money proposals that wherever possible maximised past investment. The LA did not expect, for example, a proposal to abandon the use of the LA's data centre without demonstrating the reasons, and why an alternative provision would represent better Value for Money.
- 3.3.6 Similarly, the ICT contractor is expected to decide how best to manage the deployment of networked ICT resources across the schools (such as the proportion of local site based and remote offsite servers). The LA and the schools will expect the ICT Contractor to integrate legacy equipment in such a way that maximises the value of past investment, and this has been incorporated into the contract.
- 3.3.7 The inclusion of MIS into the scope of the managed service was a unanimous decision of the schools and the LA. To leave MIS out of the scope could have led to potential difficulties to integrate the MIS with the learning platform, and possible disputes between the MIS supplier and ICT contractor. Also, not all schools currently use the same MIS, and schools are generally unhappy with the dominant supplier. The provision of a web based MIS which meets the ICT Output Specification is one of the additional services to be offered to all schools.
- 3.3.8 As MIS is included within the scope there is an opportunity to standardise MIS across all schools, and the migration to a possible new MIS would be facilitated by the ICT contractor and the ICT Contractor will be responsible for integration of the legacy or new MIS with the learning platform. This ensures that the provision of MIS falls within EU procurement law.

3.4 The Phasing

- 3.4.1 All secondary schools and the existing special school were included in the same BSF wave. Now that capital funding is restricted to the two sample schools, there are two distinct parts of the ICT service. One is

the provision of the ICT solution to the two sample schools. The other is the provision of a range of optional additional services to all schools.

3.4.2 All schools had committed to an interim service that was expected to start as soon as possible following financial close (originally planned for 2nd August 2010 based on the planned financial close date of 26th July 2010), and would have involve TUPE at that stage. This would have had the following benefits:

- Potential for early draw-down of Capex for the establishment of central services, such as the learning platform, the WAN and the MIS;
- All schools being able to access central services at the same time;
- The ICT contractor to manage the integration of legacy resources and the phasing of new capital investment in each school;
- Transition to the full managed service to be the responsibility of the ICT contractor;
- Potential to maximise the value of interim investment by ensuring all procurement is via the ICT contractor's catalogue and therefore wholly compliant with the implementation of the full BSF managed service;
- Allows a relationship to develop with the ICT contractor prior to the full BSF payment mechanism taking effect;
- A separate managed service, outside the scope of BSF, offered to all the primary schools.

3.4.3 Now that capital funding is only available to the two sample schools, the LA nevertheless intends to capture some of the benefits outlined above through the provision of additional services to all schools funded from their own resources.

3.5 ICT integration with the construction project

3.5.1 The ICT Output Specification was made available to the LEP bidders at the outset of the procurement, and the designs for the two sample schools have fully taken this into account. The planned implementation dates in Schedule 3 of the ICT Services Contract are aligned to the current planned completion dates for the two sample schools.

3.5.2 The ICT contractor has made available to the LEP selected bidder its design guide, and regular meetings have been arranged between the LEP and the ICT contractor leading to final sign off of the 1:50 drawings by the ICT contractor. Those elements of the ICT implementation that require fixings to the fabric of the building will be undertaken by the LEP in line with the Responsibilities Matrix (see Appendix 10) and the obligations defined in schedule 23 of the ICT contract, schedule 22 of the design and build contract and schedule 26 of the Project Agreement.

3.6 Sustainability

- 3.6.1 As described in Section 2.1, an important objective of the Barking and Dagenham BSF project is to use the capital investment to leverage a step change in the way that ICT is purchased, deployed and managed in schools. The aim is to break the constant cycle of software and hardware upgrades requiring regular and substantial capital expenditure by moving towards software and content being available in a web browser for most general purpose applications in schools, including the management information system. By shifting away from local processing, server capacity in schools and at Authority level can be reduced, and user devices can be designed for a much longer useful life than has been the case in the past.
- 3.6.2 Much of the existing ICT equipment in the sample schools is of a specification easily able to run a web browser, and so will be retained for this purpose. This will enable the introduction of new equipment to be spread over the period of the contract. All new devices will be purchased with minimum five year warranties and have much longer total life expectancy.

3.7 ICT and environmental sustainability

- 3.7.1 The LA and schools have a commitment to safeguarding the environment and consumer safety. It is our expectation that the ICT solution will have the minimum possible impact on the environment and meets best practice environmental standards. This will include ICT product designs, manufacturing and packaging, energy efficiency, and recycling.
- 3.7.2 The type of user devices needed by schools for most general purpose applications have considerably lower demands in terms of power and produce much less heat than traditional rich client PCs, thus enabling the LEP to allow for up to 32 such devices in a general purpose teaching room without the need for mechanical ventilation.
- 3.7.3 ICT Heat and Power assumptions have been agreed between the LEP, the LA and the ICT Contractor.
- 3.7.4 It is expected that user devices purchased by schools will increasingly become solid state with a corresponding decrease in heat output and power consumption.
- 3.7.5 During the procurement process, the LA negotiated a new type of availability deduction arising from the ICT contractor warranting the data on power consumption and heat output. Devices found to be consuming more power and producing more heat than specified in the catalogue, would be considered unavailable for the purposes of the payment mechanism. In the absence of the Full Managed Service and the Payment Mechanism, the ICT Contractor still warrants the heat and power assumption agreed with the LEP.

3.8 TUPE

3.8.1 All staff originally identified for TUPE (30 in schools, and 2 in the LA) were been regularly consulted throughout the procurement process, particularly in relation to the planned Interim Service start date, and therefore the TUPE date of 2nd August 2010. However, since the appointment of selected bidder, formal consultation began with the unions and the staff. A consultation meeting was held on Friday 25th July with union representatives of the staff involved.

3.8.2 Once it was known that the capital allocation had been restricted to the sample schools, all consultation on TUPE ceased.

3.8.3 TUPE consultations will only resume if and when schools decide to procure a managed service as one of the additional services to be offered to all schools.

3.9 Responsibility Matrix

A responsibility matrix has been agreed by the LEP, the Local Authority and the ICT Contractor and forms part of the respective contracts. The LA stands between the LEP and the ICT Contractor but has ensured that wherever possible any Authority obligations to one party are backed off to the other. The three versions of the matrix (in the ICT Services Contract, the PFI and the Design and Build contracts) are given in Appendix 10.

4 PROCUREMENT & COMPETITION

4.1 Encouragement of Competition

4.1.1 The project was advertised in the Official Journal of the European Union ("OJEU") on 31 July 2009 (OJEU reference 2009/S 148-217153) (the "OJEU Notice").

4.1.2 Prior to the issue of the OJEU Notice, the BSF Project Team undertook extensive pre-procurement market testing activities. These included contacting and setting up meetings with a large number of ICT companies identified by PfS as being potentially active in the BSF market; and attending PfS conferences, NAACE conferences, BETT, BSEC, and the Handheld Learning Conferences to engage with representatives of potential partners.

4.2 OJEU to Shortlist

4.2.1 The Authority received 32 expressions of interest in the project following publication of the OJEU Notice.

4.2.2 Pre-qualification questionnaires (“PQQs”) were issued to those bidders who expressed an interest in the project. The following eight bidders completed PQQs:

4.2.3 Agilisys, Arvato, BTGS, Mass Consultants, RM Education, Synetrix, VT4S, Viglen

4.2.4 PQQs were evaluated using the criteria below:

Category	Weightings
Financial Information	40%
Contractual Matters	
Quality, Health and Safety, Environment, Employees	10%
Project Specific Experience	25%
Experience/Technical Capacity	25%

4.3 ITPD to Preferred Bidder

4.3.1 Following evaluation of PQQs, five bidders were selected to proceed to the next stage of the competition - issue of the Invitation to Participate in Dialogue (“ITPD”). Those bidders were:

4.3.2 Agilisys, Arvato, BTGS, RM Education, VT4S.

4.3.3 Following the ITPD evaluation, the following three bidders were taken forward to the next stage of the competition - issue of the Invitation to Continue Dialogue (“ITCD”):

4.3.4 Agilisys, BTGS, RM Education.

4.3.5 The evaluation criteria applied at ITPD, ITCD and Final Bid stage were as follows:

Overall weightings:

Category	Weightings
ICT	90%
Legal and Commercial	5%
Financial*	5%

ICT Sub-Criteria Weightings

Category	Weightings
Integration	10%
ICT Provision in Schools	20%
The Virtual Workplace	20%
Implementation and Transformation	30%

Interim Services	10%
------------------	-----

ICT Sub-Sub-Criteria

Category	Weightings
Integration	10%
Systems integration	3%
Integration with a built environment	2%
Integrated services for primary schools	3%
Interface	2%

Category	Weightings
ICT Provision in Schools	20%
In the sample schools	10%
Across all the schools	10%

Category	Weightings
The Virtual Workplace	20%
Wide area network	6%
Learning platform	6%
Associated services	4%
Environmental sustainability	4%

Category	Weightings
Implementation and Transformation	30%
Project and programme management	14%
Inclusion	6%
Specialist schools	3%
Extended schools	3%
Workforce remodelling	2%
Apprenticeships and vocational education	2%

Legal and Commercial Sub-Sub-Criteria

Category	Weightings
Legal and Commercial	5%
The Local Authority's expectation is based upon the risk allocation enshrined in SOPC4/BSF standard form ICT Services Contract.	
Draft Agreements	2%

Employment	1%
Pensions	1%
Commercial/Supply chain assembly	1%

Financial Sub-Sub-Criteria

Category	Weightings
Financial	5%
Affordability	1%
Transparency	1%
Cost certainty of proposals	1%
Robustness of financial proposals	1%
Economy / Efficiency of proposals	1%

4.4 Preferred Bidder to Financial Close

4.4.1 Following the Authority's evaluation of Final Bids, RM Education plc was selected as the winning bidder. A cabinet meeting took place on 8th June 2010, at which RM Education plc was formally selected as the winning bidder.

4.4.2 RM Education plc was notified of its selection as the winning bidder on 16th June 2010 (following the call-in period) and "Alcatel" letters were issued to all unsuccessful bidders at the same time. The second place bidder was not retained as a reserve bidder.

4.4.3 The Selected Bidder letter was signed on 25th June 2010.

4.4.4 In the light of the announcement that capital funding would be restricted to the two sample schools, negotiations have continued with the Selected Bidder with the aim of keeping the two sample schemes intact and yet providing a mechanism for all schools to purchase additional services which would have previously formed part of their overall solution. This would have the effect of leveraging much of the work undertaken by the schools during the procurement process, and bringing about the benefits of a collaborative approach to ICT.

4.5 Procurement Costs

4.5.1 The following table sets out the total costs for the ICT procurement, by category, from 2008 to April 2010:

ICT Procurement Costs 2008 to April 2010

External Adviser Costs

Financial	44,339.25
Legal	214,207.25
Technical	68,027.74

Total	326,574.24
Internal Adviser Costs	
ICT Lead	171,501.00
Programme Management	96,339.56
Project Direction	30,000.00
Internal Legal	35,000.00
Project Accountant	10,000.00
Total	342,840.56
Additional costs	
Stakeholder engagement	10,000.00
Electronic procurement and document management	13,400.00
Total	23,400.00
Grand total	692,814.80

4.5.2 Additional costs brought about by the decision to limit funding to the two sample schools, to the end of December 2010, are estimated to be £160,000.

5 FINANCE AND AFFORDABILITY

5.1 Value for Money (VfM)

- 5.1.1 As per the VFM assessment on conventional projects, the HM Treasury guidance on VFM is not applicable to ICT contracts in BSF.
- 5.1.2 As part of the evaluation process the costs of the solutions were evaluated by the ICT workstream and were considered to be 'on market' when compared to benchmarks and rates tendered by other bidders.
- 5.1.3 The costs remained within the funding envelope provided to bidders which reflects the estimated cost of the solution at OBC stage.
- 5.1.4 The Authority will purchase ICT equipment, in consultation with schools, at the appropriate time in line with their education and capacity requirements. ICT contract arrangements will ensure that schools are notified of latest changes in new technology and market developments through the ICT catalogue. Value for money for ICT equipment not purchased until just prior to the opening of the Sample Schools will be maintained through a baseline re-specification exercise within the ICT Contract
- 5.1.5 Following the Secretary of State's announcement on 5th July 2010 that only funding for sample schemes would be provided the Authority has agreed a revised solution to reflect this change in scope. The Authority has reviewed the solution and its costs and considers this continues to remain a VfM solution.

5.2 Affordability

- 5.2.1 This section sets out the affordability position for the ICT Managed Services Contract in Barking and Dagenham's Wave 4 Sample Schools Project. The affordability position is based on the Selected Bidder ICT Managed Service Provider costs.
- 5.2.2 The Authority can confirm that it will manage its overall budget so that no DfE capital funding for BSF ICT will be used for revenue purposes.
- 5.2.3 While no managed service is in place, an enhanced warranty support service and performance guarantee is in place for the year following installation at a cost of £171k in the financial model.

5.2.4 ICT project

- 5.2.4.1 The ICT contract provides for the delivery of ICT services to sample schools in the Wave 4 project on the basis of BSF

funding being provided in accordance with the phased funding set out below:

Year	Dagenham Park £	Sydney Russell £	Total Capital Funding, £
2010/11	314,462	367,836	682,298
2011/12	1,677,130	1,961,791	3,638,920
2012/13	104,821	122,612	227,433
Total	2,096,412	2,452,238	4,548,650

5.2.4.2 The Selected Bidder has submitted a fixed price bid of £4.549m for the delivery of the ICT Services Contract. This is made up of £4.549m of milestone payments only. No revenue contributions are expected from schools.

5.2.4.3 Table of ICT Contract costs

ICT Contract	Total Milestone Payments £m	Annual Service Charge £ (indexed)	School Annual Contribution (£/pupil) 2Q09
ICT Contract	£4.549m	N/A	N/A

5.2.5 Authority and School Commitments

Authority Commitments

5.2.5.1 Formal executive approval of the affordability and budget strategy, risk capital investments and contract award for BSF is on the agenda for the following forthcoming meeting:

Cabinet – 21/12/10

5.2.5.2 The financial position and budget strategy remains materially unchanged from the OBC. Formal Member approval will be secured for the budget strategy and affordability assessment at the meeting outlined above.

5.2.5.3 The Authority has regularly updated the BSF Project Board, which

includes Members, on the affordability position and the financial strategy with regards to funding the project. The S151 officer is also a member of the Project Board providing input and direction on the financial strategy. The budget strategy has been developed throughout the project and remains valid as value for money and affordability have been maintained from OBC through to final bids as demonstrated in this FBC. A letter from the S151 officer is included at Appendix 3, which confirms the affordability position in advance of Cabinet and Council approval to enter into the BSF contracts on the basis of the affordability, investment and risk share parameters set out in this FBC.

- 5.2.5.4 Cabinet approval to select RM Education plc as the Selected Bidder and proceed towards contract award on the basis of the terms agreed with RM at Close of Dialogue was secured on 8th June 2010. The relevant Cabinet minute is included at Appendix 6

Governing Body Commitments

- 5.2.5.5 There is no requirement for Governing Body Agreements as no funding is provided by schools. Schools will maintain assets in line with their existing Asset Management policies

6 RISK ALLOCATION & ACCOUNTING

6.1 Risk Allocation

6.1.1 Generally, the Authority's approach to risk allocation has been in accordance with the standard BSF model with derogations minimised as far as possible. Derogations from the standard form contracts are set out at Appendix 5. In order to ensure a competitive procurement it was agreed as part of the OBC approval process that the LEP (Construction and maintenance) and ICT procurements would be separated and run in parallel. The Authority recognised that this created additional interface issues between the LEP and ICT contracts which are usually managed by the LEP in the standard BSF model. The approach taken to mitigate this interface risk is detailed below and has been discussed and agreed with the Authority's legal advisors, both the ICT and LEP bidders during dialogue and with PfS and IUK prior to close of dialogue.

6.1.2 It was decided during dialogue with the final two ICT bidders and with the two LEP bidders that the ICT implementation would only take place after practical completion of the buildings and any failure on the part of the ICT contractor to complete the ICT implementation would have no effect on building delivery and availability as far as the LEP is concerned.

6.1.3 Those aspects of the ICT implementation that would normally need to

take place during the construction phase of the new or remodelled buildings will still take place but will be undertaken by the LEP under instruction from the ICT contractor. The ICT contractor will be responsible for signing off all the final stage drawings, and for providing items of ICT equipment needing to be fixed to the fabric of the building but funded from the ICT contract. This means that items such as monitor or display screen mounts and projector mountings will be delivered to the LEP for the LEP to install. Failure of the ICT contractor to do this will not affect practical completion of the buildings.

- 6.1.4 Building control and security systems will share the ICT fixed infrastructure installed by the LEP and will be patched to active components procured by the LEP. Therefore the ICT contractor will not have to undertake any work prior to the commissioning of these systems. After practical completion, the ICT contractor will be responsible for providing any required interfaces with the ICT systems procured and installed as part of the ICT implementation.
- 6.1.5 A detailed allocation of responsibilities, effectively between the LEP and the ICT contractor although through the Authority in all cases, is given in Appendix 10. In achieving this split, the Authority has accepted the principle that there is time required by the ICT contractor after buildings are completed but before they can be occupied, and has reached agreement that this is 4 weeks.
- 6.1.6 There is no interface agreement between the LEP and the ICT contractor. Interface responsibilities in accordance with the matrix are described in schedules to the contracts between the Authority and both the LEP and the ICT contractor respectively.

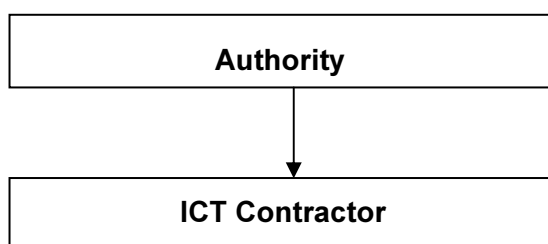
6.2 Accounting Treatment – section not used

7 CONTRACT AND PAYMENT MECHANISM

7.1 Contractual Documentation and Derogations

7.1.1 The Authority has adopted the standard form ICT Services Contract, however, the Authority has undertaken a split LEP and ICT procurement for its Wave 4 BSF project.

7.1.2 The contractual structure is as follows:



7.2 The ICT Services Contract

7.2.1 The BSF standard form ICT Services Contract does not anticipate a split procurement. It has, therefore, been necessary to amend the ICT Services Contract to take account of the various interface issues that may arise during the life of the ICT Services Contract.

7.2.2 Unlike more traditional BSF procurements, there are no interface agreements. Instead, the Authority has opted to manage the interface between the various parties itself. It is the Authority that stands between the LEP, PFI, D&B, FM and ICT contractors (the “Contractors”). This approach has resulted in bespoke interface provisions being incorporated into the main body of the ICT Services Contract.

7.2.3 An interface schedule has been incorporated into the ICT Services Contract to deal with the interface between the Contractors. The interface schedule and accompanying interface responsibility matrix has guaranteed the full integration of the ICT/ICT services into the overall BSF programme.

7.2.4 In relation to the Authority’s interface obligations, where possible these obligations have been fully handed down to the contractor in the best position to deal with such obligations - ensuring that the Authority’s liability is sufficiently “backed-off”. Such that, in the event that a contractor is in breach of its contractual obligations (the “Defaulting Party”) under one contract, which in turn causes the Authority to be in breach of its obligations under another contract, the Authority will be able to recover any losses/damages that it has incurred as a result of that Defaulting Party’s breach. The Authority takes the interface risk of

a Defaulting Party, which in turn affects another contractor. The Authority does not, however, take this risk where a contractor is not performing, but that non-performance is not the contractor's fault (e.g. a force majeure event or relief event occurs). In such circumstances, each party takes equal "interface risk".

7.2.5 The ICT Contractor is required to provide the ICT services for a minimum term of five years. During the life of the ICT Services Contract, the Authority is entitled to request a range of "additional services" to be provided at all or some of the schools for the term of the agreement (for a price to be agreed by the parties at that time). These additional services are set out in Schedules 1 and 2 of the agreement. The Authority is under no obligation to request the additional services but this approach ensures that the Authority has the flexibility it needs, going forward, to adapt the ICT Services according to the educational requirements at any given time.

7.3 ICT Payment Mechanism – Not Used

8 Derogations

The Authority has negotiated and submitted a number of derogations that have been agreed by PfS. The agreed derogations are attached to this document as Appendix 5.

9 STAKEHOLDER CONSULTATION & PROJECT MANAGEMENT

9.1 Stakeholder Consultation

8.1.1 The ICT Steering Group, with senior management representatives of all the BSF schools, agreed the composition and membership of the ICT evaluation team, with the Headteacher of Sydney Russell School (and Headteachers' ICT Champion) as chair. Throughout the procurement process the ICT Steering Group met regularly to review progress with the procurement, and in particular to receive presentations from the bidders at the ITPD and ITCD stages. Other stakeholders across the Council were also invited to these presentations. The BSF Project Director and the ICT Lead Officer also attended the monthly Headteachers' meetings to report on progress.

8.1.2 Following a presentation by the ICT Lead Officer to all of the Primary Headteachers, this group nominated two primary headteachers to work with the BSF team and the selected bidder on the range of proposals on offer to primary schools which are outside the scope of BSF, but nevertheless formed part of the evaluation criteria. The selected bidder also presented to the Primary ICT Conference on 24th June 2010.

8.1.3 The ICT Steering Group met on the day that the selected bidder was

announced and received a presentation on the characteristics of the winning bid. The group enthusiastically endorsed the decision and indicated a desire to bring forward the adoption of central services by all schools during the interim services period by as much as possible.

8.1.4 The Secondary Headteachers, at their meeting on 18th June 2010, committed to supporting half-termly meetings of the ICT Steering Group during the first year or so of the contract, and termly meetings thereafter through to contract end. At this meeting, headteachers also agreed to support the process of signing the Governing Body Agreements with the Authority for schools' contributions to the interim and full services.

8.1.5 A subsequent Secondary and Special Headteachers' Conference on 1st July 2010 enthusiastically reaffirmed all schools' support for the contents of the original version of this Final Business Case, including the early start of the Interim Service.

9.2 Project Management

9.2.1 Project Team

9.2.1.1 The Authority has a single project team for the BSF programme and a single Project Director overseeing both the LEP and ICT procurements. Day to day management of the ICT procurement was delegated to the ICT Lead Officer, supported by external programme management and technical advice. Both procurements were supported by education consultants, the BSF Change Manager, and the Communications Manager. In addition, the BSF ICT procurement has benefited from the active participation of LA ICT advisory staff and the City Learning Centre. The ICT Lead Officer was previously the Authority's most senior education ICT inspector/adviser.

9.2.1.2 Post financial close, the ICT Lead Officer will have responsibility for addressing interface issues between schools, the Authority and the ICT contractor. For the optional additional services, the ICT Steering Group will be the main interface forum for the schools and the ICT Contractor, and this will be facilitated and supported by the Authority-funded ICT Lead Officer, being responsible for the formal monitoring of the ICT contract, and also the interfaces between the LEP and the ICT contractor for the Sample Schools Projects.

9.2.1.3 The team that procured the ICT contractor will be the same team that will work with the contractor on the implementation.

9.2.2 Project Board

The Council's BSF Project Board has overseen the entire BSF Project. Membership of the Board has included Members, officers from across the Council, external advisers (including Partnerships for Schools) and representatives from Schools.

9.2.3 External Advisors

Eversheds – Legal Advisers for procurement and the ICT contract.

Grant Thornton – Financial Advisers for the Payment Mechanism, affordability and value for money.

Currie and Brown – specialist ICT advice and programme management

10 STATUTORY PROCESSES – section not used

APPENDICES (Available separately)

APPENDIX 1 – Risk Allocation Matrix & Risk Analysis

APPENDIX 2 – Affordability Analysis

APPENDIX 3 – Letter from Section 151 Officer

APPENDIX 4 – Bid Evaluation Process

APPENDIX 5 – Derogations

APPENDIX 6 – Cabinet Approvals

APPENDIX 7 – Implementation Timetable

APPENDIX 8 – Copies of LA/School Agreements Not Used

APPENDIX 9 – TUPE Action Plan – Not Used

APPENDIX 10 – Matrix of Responsibilities

APPENDIX 11 – Financial and Technical Pro formas as applicable to ICT only

This page is intentionally left blank

CABINET

23 NOVEMBER 2010

REPORT OF THE CABINET MEMBER FOR CUSTOMER SERVICES AND HUMAN RESOURCES

This report is submitted under Agenda Item 13. The Chair will be asked to decide if it can be considered at the meeting under the provisions of Section 100B(4)(b) of the Local Government Act 1972 as a matter of urgency as the arrangements need to be in place before the next meeting of the Cabinet.

Title: Governance Arrangements for New Joint Venture with Agilisys	For Decision
<p>Summary: This paper is by way of a follow up to the report that was presented to Cabinet on the 28 September 2010 and outlines the governance arrangements that will be put in place to ensure the new Joint Venture performance arrangements are robust.</p> <p>A pictorial representation of the proposed governance arrangement is presented by way of a diagram at Appendix 1.</p> <p>Wards Affected: None</p>	
<p>Recommendation(s)</p> <p>The Cabinet is asked to:</p> <ul style="list-style-type: none"> (i) Approve the governance arrangements for the joint venture with Agilisys as detailed in this report; and (ii) Recommend the Assembly: <ul style="list-style-type: none"> a. That the two Council representatives on the Elevate Board be the Portfolio Holder for Customer Services and Human Resources and the Corporate Director of Finance and Resources; b. That a Member be appointed as the nominated deputy for the Portfolio Holder for Customer Services and Human Resources and the Divisional Director of Assets and Commercial Services and the Divisional Director of Corporate Finance be appointed as the nominated deputies for the Corporate Director of Finance and Resources; c. That the Member representation on the Strategic Partner Board be the Portfolio Holder for Finance, Revenues and Benefits, who will Chair the Board, the Portfolio Holder for Customer Services and Human Resources, and a non-Cabinet Member; and d. That the necessary amendments to the Council's Scheme of Delegation be made to reflect the responsibilities for managing the Elevate Limited Liability Partnership agreement, the Strategic Partner Agreement and the Service 	

Contract with Elevate and other associated legal documents.

Reason(s)

In order to ensure that the Elevate Joint Venture is governed and the Service Contract is managed and monitored in such a way as to deliver the expected outcomes on the part of the Council and its partner, Agilisys Limited.

Comments of the Chief Financial Officer

The development of Elevate enables the Council to deliver better services at less cost and to make savings as part of the overall Medium Term Financial Strategy. The governance arrangements presented in this report provides assurance that expected benefits are realised.

Elevate is a critical strand of the Council's plan to significantly reduce its budgets.

Comments of the Legal Partner

The governance arrangements and the legal structure of the Elevate Limited Liability Partnership have been established on the advice of external legal and financial advisers. The Council Legal Partner is satisfied that the legal structure, the governance arrangements for the Elevate Limited Liability Partnership and the internal arrangements for the proper management and monitoring of the Elevate Limited Liability Partnership, the Service Contract and the associated legal documents are in compliance with all legal requirements and the Council's Constitution.

Head of Service: Sue Lees	Title: Divisional Director Strategic Asset Management and Capital Delivery	Contact Details: Tel: 020 8227 3300 E-mail: sue.lees@lbbd.gov.uk
Cabinet Member: Cllr John White	Portfolio: Cabinet Member, Customer Services and Human Resources	Contact Details: Tel: 020 8724 8013 E-mail: john.white@lbbd.gov.uk

1. Background

- 1.1 At its meeting on 28 September 2010 the Cabinet agreed, amongst other things, that "The Corporate Director of Finance and Resources put in place appropriate internal arrangements for the proper monitoring and management of the Joint Venture and Partnering Agreement and the Services Contract through a new Commercial Services Unit".
- 1.2 In line with that decision officers have developed governance, monitoring and management arrangements for the Elevate Joint Venture and for other large Council contracts in the future.
- 1.3 The arrangements that have been developed cover:
 - Governance structures post-financial close

- The establishment of a Commercial Services Unit to manage a range of large Council contracts and a Transformation Unit to assist the rest of the organisation deliver its modernisation programme

2. Proposal

2.1. Governance structures post-financial close of the Joint Venture.

2.1.1 The proposed governance arrangements for Elevate will be made up of:

- The Strategic Partner Board;
- The Elevate Limited Liability Partnership (which is the Service Delivery organisation); and
- The Commercial Services Unit which will provide the appropriate clienting arrangements.

2.1.2 A diagram showing the proposed governance structure can be seen at **Appendix 1**. Agilisys has agreed to this proposal.

2.2 The Strategic Partner Board

2.2.1 The Strategic Partner Board's role will be one of influencing the activities of Elevate.

2.2.2 The Strategic Partner Board will meet monthly to discuss the strategic direction of the partnership, and will receive quarterly performance and risk reports.

2.2.3 It is further proposed that the agenda of the Strategic Partner Board includes a monthly consideration of the Fostering Opportunities agenda (this part of the contract is about the creation of new jobs in Barking and Dagenham) as the arrangements proposed by Agilisys include elements to be provided by Agilisys direct rather than through Elevate. Those elements have been secured for the Council by Agilisys being party to the Service Contract.

2.2.4 Attached at **Appendix 2** are draft Terms of Reference for this board and provide additional explanation of the functions which the board will be performing.

2.2.5 Membership of the Strategic Partner Board is shown on Appendix 1. The seat for Union representation will be reserved for the Union representative of staff within Elevate. This position will be held for a two-year period, and to assure independence can only be held by a union representative with no personal connections to employees of Elevate.

2.3 Elevate Limited Liability Partnership Board

2.3.1 The activities of Elevate will be controlled by the Limited Liability Partnership Board of Elevate. The Council will have two representatives on the Elevate Board and it is proposed that this be the Portfolio Holder for Customer Services and Human Resources and the Corporate Director of Finance and Resources. Similarly Agilisys will also have two representatives on the Elevate Board.

2.3.2 The Member representative on the Elevate Board, and his/her deputy, will be required to declare an interest every time either an Elevate matter, or a Council

matter which may impact upon future Elevate opportunities, comes before the Cabinet and might have a prejudicial interest depending on the business, in which case the Member should not participate in the discussion and the decision-making on that matter.

- 2.3.3 There will be an independent Chair appointed, but in the early stages this role may be taken by Elevate Board representatives in rotation. Officers within Elevate will service the Elevate Board and be held to account by it.
- 2.3.4 In the event of a dispute that results in deadlock at the Elevate Board, escalation will be to a senior officer within the partner organisations. In the case of the Council this will be the Chief Executive. If there is no resolution through this process, then the LLP agreement will provide a buyout mechanism in favour of the Council in the first instance. This does not impact upon the continuity of the service contract.
- 2.3.5 The Elevate Board will meet monthly, after the Strategic Partner Board, and will agree the annual Business Plan of Elevate and receive regular performance and business development reports.
- 2.3.6 Certain legal and contractual matters, known as 'reserved matters' will require unanimity at the Elevate Board, effectively meaning that certain decisions cannot be made by Agilisys, Elevate's managing partner, without the full approval of the Council through its two representatives on the Board. This would include, for example, matters such as changes of terms and conditions for employees, the addition of another partner into the Elevate Limited Liability Partnership, extension or amendment to services provided, etc.

2.4 The Commercial Services Clienting Function

- 2.4.1 Located within the Finance and Resources Department, a new Commercial Services Unit has been created to negotiate and to project manage the letting of major contracts. This Unit will also manage and monitor high value contracts ensuring that benefits are realised and house the commissioning functions for Procurement and Revenues and Benefits. It is anticipated that, over time, other large contracts will be managed by this unit.
- 2.4.2 Alongside the Unit will sit an Information Communication Technology and Transformation Unit which will monitor the Information Communication Technology and One B&D elements of the contract and support the Council's transformation programme.
- 2.4.3 Attached at **Appendix 3** is the structure of the Commercial Services unit, and the Transformation Unit.
- 2.4.4 The Commercial Services unit will provide the clienting function and will be responsible for managing the performance of the contract for each of the services being delivered by Elevate to the Council. The Commercial Services unit will receive monthly performance reports from Elevate, and will manage the contract using the mechanisms within the contract (the Payment Mechanism) to ensure that the Council receives its expected level of performance, and only makes contractual payments after deductions if there is a performance failure.

- 2.4.5 The Commercial Services Unit will provide regular performance reports to the Corporate Management Team (CMT) through the Performance Board element of the CMT agenda, and the CMT will then provide regular reports to Cabinet. Performance reports will also be presented to the Strategic Partner Board.
- 2.4.6 Decisions on further service transformation, new services to transfer into Elevate, or other amendments to the contract, will be driven through the Strategic Partner Board from the Transformation Board (an officer Board set up to manage Council transformation in a planned and efficient way), and into CMT (with their remit of Council Programme Board). Decisions will then be actioned through the Commercial Services unit.

2.5 The Service Delivery Organisation (Elevate East London LLP)

- 2.5.1 Elevate is the Service Delivery Organisation, and is responsible for the delivery of services under contract to the Council. At this stage the services that this will cover are:
- Revenues and Benefits
 - Procurement and Accounts Payable
 - B&D Direct and One Stop Shops, including Careline and Mobility Services.
 - Information and Communication Technology

There is scope to transfer further services into Elevate upon the instruction of Cabinet.

- 2.5.2 Staff will transfer (by way of Transfer of Undertakings (Protection of Employment) Regulations) from the Council into Elevate. On a day to day basis Elevate's activities will be managed by Agilisys as the managing partner of Elevate and it will deliver those services to and on behalf of the Council.

3. Membership and Selection of the Council Representation on the Strategic Partner Board and the Elevate Limited Liability Partnership Board.

- 3.1 It is proposed that membership of the Strategic Partner Board will comprise of:
- Three (3) elected Members of the Council, namely the Portfolio Holder for Finance, Revenues and Benefits, who will Chair the Board, the Portfolio Holder for Customer Services and Human Resources, and a non-Cabinet Member)
 - One (1) trade union representative from the workforce of Elevate
 - The Council's Corporate Management Team (5)
 - One (1) Fostering Opportunities Officer (Divisional Director of Regeneration and Economic Development to lead)
 - The Divisional Director of Assets and Commercial Services
 - Three (3) Agilisys representatives
 - Two (2) Elevate representatives.
- 3.2 There are no voting activities on this Board as it is not a decision making Board.
- 3.3 The Council appointments to the LLP Elevate Board and the Strategic Partner Board will be approved by Assembly on 8 December 2010.

3.4 As referred to in paragraph 2.3.1 the proposal is that there are two Council representatives (Members of the Board) on the Elevate Board. It is proposed that these roles are filled by the Portfolio Holder for Customer Services and Human Resources and the Corporate Director of Finance and Resources. It is further proposed that the Divisional Director of Assets and Commercial Services and the Divisional Director of Corporate Finance be appointed to deputise for the Corporate Director of Finance and Resources when and if required, and that a Member be appointed to deputise for the Portfolio Holder for Customer Services and Human Resources when and if required.

3.5 The appointment of the independent Chair of Elevate will be by way of interview by the Board of Elevate and will require commensurate remuneration. The level of remuneration will be set by the Board of Elevate by reference to market remuneration for equivalent posts.

4. Council Scheme of Delegation

4.1 The Council's Scheme of Delegation (Part C) will be expanded to reflect the commercial services function and in particular the clienting arrangement.

5. Financial Issues

5.1 The cost of the establishment of the Commercial Services Client Unit will be funded from existing resources. There are a small number of new posts (no more than 2 or 3 depending on internal applications) which may require filling externally as we may not have the skills internally, however most posts will be filled by people displaced through other Council restructures.

6. Legal Issues

6.1 The governance and legal structure of Elevate has been established on the advice of external legal and financial advisers. The Council's Legal Partner is satisfied that the structure is in compliance with all legal requirements and the Council's instructions.

7. Other Implications

7.1. **Risk Management** - There are no intrinsic risks associated with the proposals of this report. Introducing adequate governance arrangements will allow for the Council to ensure contract compliance.

7.2 **Staffing Issues** - The Commercial Services Unit is a new team that has been created to negotiate and to project manage large contract letting. The team will be recruited to from internal (by way of redeployees and internal appointments) and external applicants.

7.3 **Customer Impact** - No specific implications at this stage.

8. Options appraisal

- 8.1 The proposal put forward within this paper is a requirement for the good governance of such a large contract. Without accepting this option, the contract is at risk of not being managed adequately and therefore the benefits not being realised.

9. Background Papers Used in the Preparation of the Report:

Cabinet Report 28 September 2010– Business Case and Appointment of Preferred Bidder for Joint Venture Strategic Partnership

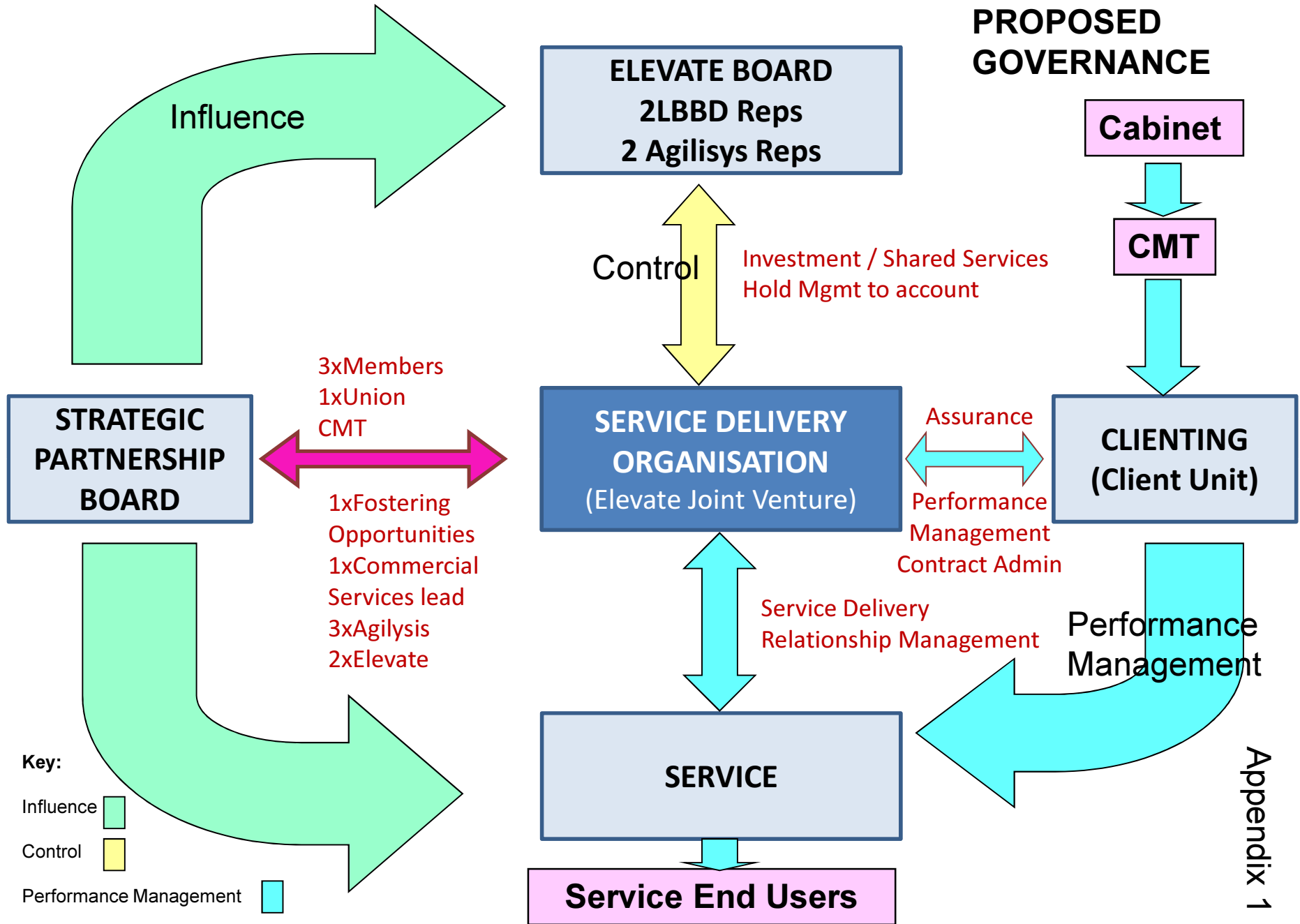
10. List of appendices:

Appendix 1 – Joint Venture Governance Structure

Appendix 2 – Terms of Reference for the Strategic Partnership Board.

Appendix 3 – The structure of the Commercial Services and Transformation Unit

This page is intentionally left blank



This page is intentionally left blank

Strategic Partner Board

Draft Terms of Reference

The Strategic Partner Board has been established by Agilisys and the London Borough of Barking and Dagenham to advise on the overall strategy and direction of the Elevate joint venture (the Limited Liability Partnership) and to ensure a wide perspective is taken into account in managing Elevate.

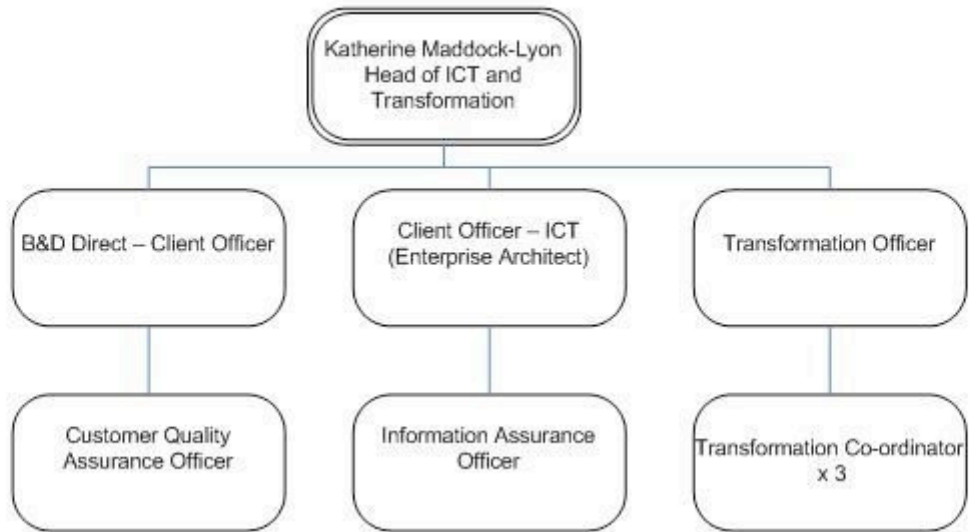
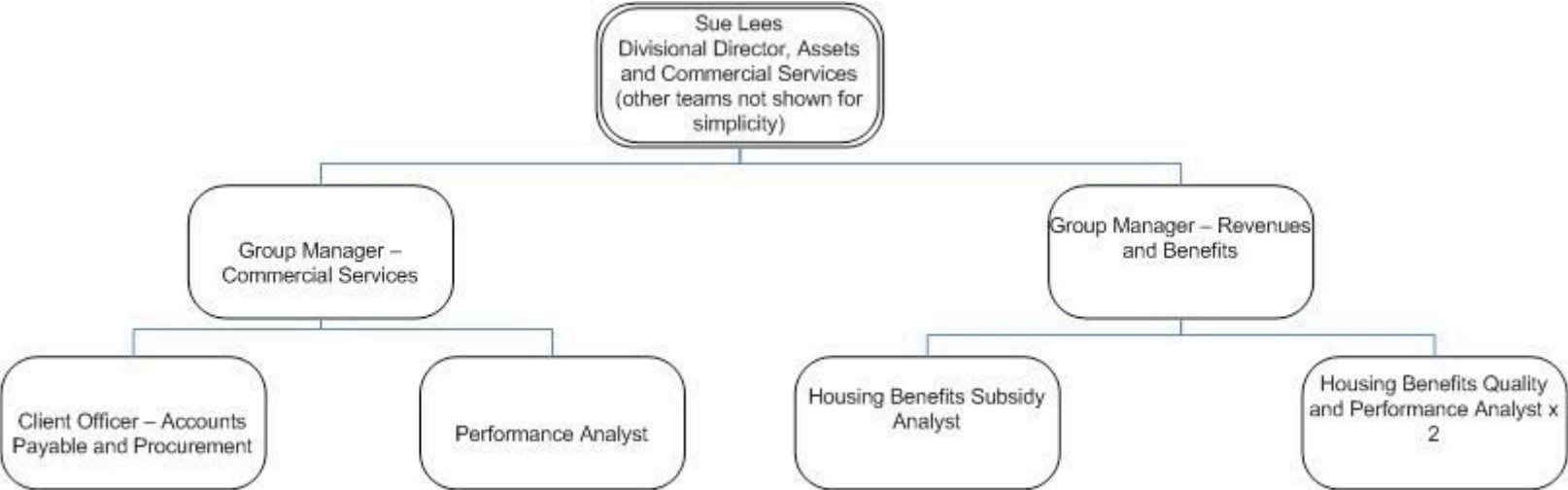
The Board sits formally once a month and then on an as needed basis by teleconference. The Board consists of a broad cross section of LBBB Members, Trade Union representatives, LBBB CMT, LBBB Commercial Services officers, LBBB Fostering Opportunities Officers, Agilisys and Elevate.

Members of the Board will be appointed by the organisations who are members of Elevate in accordance with the governance rules of those organisations. The Chair of the Board will be the LBBB Portfolio holder for Modern Ways of Working and Human Resources.

The functions of the Strategic Partner Board are to:

- advise on the overall strategy and direction of Elevate;
- advise on the development of Elevate’s strategic operational plan and progress and make recommendations as appropriate;
- advise on the development of Agilisys’s Fostering Opportunities plans and progress and make recommendations as appropriate
- to performance manage Agilisys’s delivery of its Fostering Opportunities offer
- advise and support the Elevate Board;
- consider reports on Elevate’s current activity, annual reports and monitoring information and advise the Elevate Board accordingly;
- to receive quarterly performance reports and advise accordingly;
- act as ambassadors on behalf of Elevate within networks of practice in London and bringing feedback and business development opportunities from these;
- act as a sounding board for new ideas and developments;
- assist CMT to build and deliver cases for change where these are required;
- provide constructive challenge to the assumptions and operating practices of Elevate.
- to receive quarterly risk management reports and advise accordingly.

This page is intentionally left blank



This page is intentionally left blank