

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