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I wanted to let you and your colleagues have our thanks for a fascinating visit on Friday. We all learnt a lot and appreciate the time you all spent with us. Can you pass our thanks on to everyone both at the council and at the three schools.

We also discussed a few business issues over lunch.

Barking quite rightly wants to position itself well to take best advantage of forthcoming capital programmes. As you know, we have given you planning information that Barking is likely to be included in waves 4 to 6 of Building Schools for the Future, where preparation could be starting as early as next year. You will also want to consider the new primary capital programme just announced, which will start from 2008. Our approach in designing these programmes is to give authorities plenty of incentive to prepare well. Such preparedness (e.g. identifying senior responsible officers and project staff, having your educational vision agreed, having carried out consultations, being ready for any statutory proposals, etc.) could mean a difference of at least 12 months in the starting date for any project. As we and Partnerships for Schools learn how to run a national programme of many waves, good preparedness could also mean bringing projects forward to take the place of other projects that are in difficulties.

There is nothing to prevent Barking looking at the various documents we prepare for waves 1 to 3 and starting to think how they might apply. You can find these at www.bsf.gov.uk/documents. You may also want to talk to Martin Lipson at the 4ps as he is developing a capacity building programme, including preparatory work that can be done with local stakeholders such as councillors and governors. You may also want to look at the 4ps local government gateway system, which again will give you insight into how to prepare effectively.

In due course, we would be happy to consider with you whether there would be any advantage in seeking to set up a joint venture in advance of BSF. We will need to

involve PFS with this, but you will appreciate that they are fully taken up with setting off waves 1 to 3 at the moment.

Steve Avis has offered to talk to you or finance colleagues about the pros and cons of supported and prudential borrowing, including with ODPM colleagues if that is helpful. As I mentioned, my understanding is that some of the incentives for authorities to be debt free are no longer there.

We would be happy to co-sponsor a learning/ evaluation event about your PFI experience. Please treat me as the contact for that. Lastly, I suggested that, given the considerable knowledge that Barking has built up in its PFI team, you might consider getting involved in the EBD OG (Shirley Turner) or AMP (Ian Cook) networks, and also might want to discuss with the 4ps (Martin Lipson) whether you might become gateway assessors for other PFI and BSF projects (which enables others to benefit from Barking's experience and also gives you wider experience).

So, plenty for us all to get on with! But once again, our sincere thanks for a very worthwhile and impressive visit to Barking.

P J PARKER
Schools Capital, Head of Strategy