

Advisory  
Government and Public Sector

# Building Schools for the Future (BSF) Procurement Review Partnerships for Schools

May 2008

Executive Summary



the 1990s, the number of people in the UK who are employed in the public sector has increased from 10.5 million to 13.5 million (13.5% of the population).

There are a number of reasons for this increase. One is that the public sector has become a more important part of the economy. Another is that the public sector has become more efficient. A third is that the public sector has become more attractive to workers.

The public sector has become a more important part of the economy. This is because the public sector has become more efficient.

A third reason for the increase in public sector employment is that the public sector has become more attractive to workers.

The public sector has become more attractive to workers because it offers a number of advantages over the private sector.

One of the advantages of the public sector is that it offers a more secure job. This is because the public sector is not subject to the same market forces as the private sector.

Another advantage of the public sector is that it offers a better work-life balance. This is because the public sector has a more regular working hours and a more predictable schedule.

A third advantage of the public sector is that it offers a better pension scheme. This is because the public sector has a more generous pension scheme than the private sector.

Finally, the public sector offers a better social status. This is because the public sector is considered to be a more prestigious and respected profession.

These advantages have made the public sector a more attractive option for many workers, leading to the increase in public sector employment.

The public sector has also become more efficient. This is because the public sector has been able to reduce costs and improve services.

One way the public sector has become more efficient is by reducing costs. This has been done by streamlining operations and reducing waste.

Another way the public sector has become more efficient is by improving services. This has been done by investing in new technology and training staff.

These improvements have made the public sector a more attractive option for workers, leading to the increase in public sector employment.

The public sector has also become more important to the economy. This is because the public sector has become a more significant part of the GDP.

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# Contents

1	Executive summary	4
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# 1 Executive summary

It is widely accepted that the Building Schools for the Future (BSF) programme has picked up pace over the past year. A package of measures designed to ensure that local authorities are ready to hit the ground running as soon as they enter the programme has already made a real difference to the timetable for delivery. The procurement review intends to build on this by delivering further efficiencies to the procurement phase of BSF.

Partnerships for Schools (Pfs) appointed PricewaterhouseCoopers (PwC) in September 2007 to conduct a review of the procurement phase of the BSF programme, considering three key issues:

- The role of design within the procurement phase of the BSF programme and, in particular, whether or not design resource is used efficiently and effectively;
- The effectiveness of the integration of ICT in the Local Education Partnership (LEP) model; and,
- The degree to which the procurement phase was proving to be effective preparation to prepare for the LEP and the long-term partnering between public and private sector.

There has been extensive consultation with stakeholders in the BSF community on these issues. Subsequently, the key issues were considered in light of programme progress to date.

The key issues and recommendations are as follows:

Key Issue	Recommendations
There is an increasingly mature market of suppliers involved in the BSF programme who understand what it is that they can do to deliver BSF projects successfully. This needs to be taken account of in the procurement process to ensure that the market expertise is applied efficiently to individual projects.	<ul style="list-style-type: none"> <li>• More comprehensive pre-qualification process;</li> <li>• Deselect down to two bidders more quickly;</li> <li>• More effective focus on partnering issues.</li> </ul>
From a programme and individual project perspective, the current BSF procurement process keeps 3 bidders in competition for longer than is necessary to achieve effective competitive tension. The result of this is that procurements are more expensive in terms of both financial and resource costs than is necessary with a negative impact on contestability at the programme level.	<ul style="list-style-type: none"> <li>• Deselect to two bidders more quickly;</li> <li>• More effective focus on partnering issues.</li> </ul>
In relation to supplier design costs, the use of a higher number of sample schemes developed with three bidders to a significant level of detail is placing too great a burden on bidders and is not necessarily resulting in better competition.	<ul style="list-style-type: none"> <li>• Sample scheme design restricted to two projects;</li> <li>• Reduction in the design work required by three bidders;</li> <li>• Small reduction in the overall procurement process time.</li> </ul>

The review has identified the importance of having a more effective focus on partnering during the procurement phase, not only to reduce time and cost but also to improve the viability and sustainability of the LEP.

The main outcomes of these recommendations for the BSF community will be:

BSF Community	Outcomes
Local Authorities	<ul style="list-style-type: none"> <li>• More competition available, particularly to the smaller schemes;</li> <li>• Need to focus even more on the preparation for the procurement;</li> <li>• Less deviation from the standard procurement scope;</li> <li>• A better understanding of the long-term partnering relationship and how it can be made to work.</li> </ul>
Suppliers	<ul style="list-style-type: none"> <li>• Reduced bid costs on a project-by-project and programme level;</li> <li>• Greater certainty over outcome earlier in the procurement process;</li> <li>• Will need to evidence their commitment to the BSF programme through actions.</li> </ul>
Partnerships for Schools	<ul style="list-style-type: none"> <li>• Benefits in terms of programme delivery from freeing up bidder resource;</li> <li>• Will need to police the core procurement scope with local authorities;</li> <li>• Needs to invest in revision to the procurement documents, particular the pre-qualification and partnering documents.</li> </ul>

We have discussed the recommendations with PfS who have considered how best to implement them and developed a timetable for doing so.





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