



Education Committee

Oral evidence: [Priority Schools Building Programme](#), HC 1090

Wednesday 18 March 2015

Ordered by the House of Commons to be published on 18 March 2015.

Written evidence from witnesses:

- [Department for Education \(PSB0012\)](#)
- [NAHT \(PSB0017\)](#)
- [Stratford School Academy \(PSB0021\)](#)
- [Local Government Association \(PSB0022\)](#)
- [Wates Group \(PSB0023\)](#)

[Watch the meeting](#)

Members present: Mr Graham Stuart (Chair), Neil Carmichael, Alex Cunningham, Bill Esterson, Caroline Nokes, Siobhain McDonagh, Mr Dominic Raab, Mr David Ward, Craig Whittaker

Questions 1 – 159

Witnesses: **André Baird**, National Association of Headteachers representative and Headteacher, Foxfield School, Wirral, **Stephen Beechey**, Group Strategy Director and Managing Director Government Affairs, Wates Group, **Andrew Seager**, Headteacher, Stratford School Academy, London, and **Cllr David Simmonds**, Chair, Local Government Association Children and Young People's Board, gave evidence.

Q1 Chair: Welcome to the Education Committee for our final session of this Parliament. Five years of scrutiny, and order, is coming to an end in the session today—discipline is still a problem, as it is too often in our schools. Thank you, gentlemen, for coming in and speaking to us today. Is the Priority School Building Programme fit for purpose in terms of meeting the needs of our school estate? Stephen.

Stephen Beechey: I believe that it is. I think that high-quality schools are produced that very much deliver the standards required by the modern curriculum. In comparison with other programmes, such as BSF, that have gone on before, the schools perform very well as a building, so yes, I believe it is.

Q2 Chair: But they're at vastly less cost. Vastly less money must be flowing through your coffers as a result of this programme compared with the Building Schools for the Future Programme.

Stephen Beechey: Yes, they are more efficient in terms of cost, but that isn't a bad thing; it's not something we are concerned about. We want to deliver efficient schools that deliver value for money for the taxpayer, and that is something that PSBP does.

Q3 Chair: Thank you. André.

André Baird: Good morning. My experience is that our new school opened at the beginning of this month and the building is fantastic—I have to say that—and a vast improvement on the facilities we had previously. In terms of your question, “Does it deliver?” yes it does, in my experience, and the same could be said for the other schools within the batch that I am part of.

Whether it resolves the issues in terms of school accommodation across the wider sector is, I think, a different point. There were schools, mine included, that were part of plans under BSF. Those plans went by the wayside. I'll give you an example. My school was due to amalgamate with another school. That did not happen, so now we have a nice new building but I have concerns about where that leaves the other school, and I think there may be examples like that up and down the country.

Q4 Chair: But has it delivered more for less?

André Baird: I believe so in terms of the cost. To give you a comparison, within my authority area, there is my school, built under this scheme; we are next door to a school that was built as a One School Pathfinder under BSF; and my primary feeder school was rebuilt two years ago, using capital funding, by the local authority. I am told by people who know about these things that the quality of materials and quality of finish are comparable. As head teacher, I was worried that my school would be something that was clearly built on the cheap, but that doesn't stand up at all. The finished product is of a very high standard and it means vastly improved provision for the youngsters, compared with previous accommodation.

Q5 Chair: Thank you. Andrew.

Andrew Seager: I can really only comment on my project. We were one of the schools within the Building Schools for the Future Programme, but the new school was not built. As far as I can work out, the amount of money that would have been spent on the BSF school would have been considerably more than is being spent on the current schools—the

current buildings. If you look at the layout and the design of what we are getting, it seems to be entirely fit for purpose. They will work as schools, so in that sense, it is delivering. The real difficulties we have had are with the running of the project and the quality of the finishes, which I think are potentially going to leave us with some significant financial costs down the line.

Q6 Chair: Are you unusual in that respect?

Andrew Seager: I don't know.

Cllr David Simmonds: No, not that unusual.

Going back to your original question, I think we all know that the link between educational standards and school buildings is a fairly tenuous one. From the perspective of local authorities, our responsibility is making sure that we have schools that are of a good standard to ensure that effective teaching can take place within them. That is the responsibility of school leaders like André and Andrew.

There is a very mixed picture around the country. The start of this was really the Sebastian James Review of Education Capital, which took place nearly five years ago and looked at how we could allocate funding much more efficiently. Certainly, I would say from personal experience and my engagement with the PSBP that it has not been fit for purpose. We have schools that are a year behind schedule, and it is clear that lots of accountants and lawyers involved in that process have managed to make the figures look superficially flattering by omitting quite a large proportion of the costs that have to be met in order that the head teacher and the children can turn up at the start of the school term, turn the key and have computers, books, functioning libraries, sports facilities, water coming out the taps and all the other kinds of thing required to run a school.

Chair: Thank you. We too need to be lean and efficient in this session, as we have limited time. We have four excellent witnesses, so I am sure the Committee will want to get through business quickly and efficiently.

Q7 Mr Ward: I have a number of questions on how it was decided what money went where. Can I start first by talking about the Property Data Survey? Can you explain to me where you believe that fits into the decision about where money goes?

André Baird: As far as I am aware, the Property Data Survey did not affect the decision to have my school rebuilt. The local authority bid for three schools within our authority: one primary, one secondary and a special school—my school. They were successful in all. That is possibly because my authority has a good track record and the officers within it have a good track record in terms of delivering new schools. They potentially have skills that officers in other authorities may not have in bid preparation. I do have concerns about there being less and less officers like that in local authorities around the country. If they do not have the skills to prepare those bids, who is going to decide which schools get built in the future?

Stephen Beechey: The Property Data Survey was not available for PSBP 1, but it has been used to select the schools for PSBP 2. It was not available at that time.

Q8 Mr Ward: Wasn't this supposed to get a really panoramic view of the whole schools estate in terms of need? Should that not have come first and then inform decisions?

Stephen Beechey: There is a really significant amount of work involved in producing that level of property data. It has never been done before in the history of the country, to my knowledge. There are hundreds of surveyors required. It would have delayed the Priority School Building Programme 1, in my view, to have waited to do that. I think it was right.

Q9 Mr Ward: Would there have been better decisions if we had waited for that? I know that it would have delayed the programme, but you can obviously see its value in determining where the highest level of need would be.

Stephen Beechey: The process that happened for the first Priority School Building Programme was that all schools and local authorities were made aware of the programme. I think that there were over 600 or 700 applications, and they were then assessed for need. Certainly, from my experience in dealing with probably around 100 of those schools, they were in desperate need of investment. If they had been delayed by waiting for that entire survey to be completed, there would have been a delay to those schools getting the work.

Chair: Thank you.

Cllr David Simmonds: Just a brief observation: the problem with the survey is that by the time it is completed and compiled nationally, it is out of date. When you are trying to make a decision about which of your schools is most in need, you can pass something on the basis of one school's leaking roof. By the time someone in Government has verified that and put it into a programme, another school's boiler has broken down, which means that they are now head of the queue. It is of some value, but I would not place too much reliance on it.

Q10 Mr Ward: Just one more question from me: this is about the reliability part of the data survey. I am sure that in our own lives, we know the difference between a drive-by valuation and a structural engineer coming in to value your home. How reliable and accurate do you believe the PDSs are?

Stephen Beechey: They are accurate. You gave an interesting analogy. They are much more than a drive-by survey. They are a detailed building survey. They have not been intrusive, so they have not looked at the intrusive element around asbestos or around defects within the structure of the building. They are detailed evaluations of the buildings.

Q11 Chair: As you mentioned that, on asbestos, the Government have made an announcement in the past few days. I am just struggling with the PSBP acronym. Will the PSBP enable the school estate to deal with asbestos appropriately?

Cllr David Simmonds: I can answer that to a degree. Certainly, the advice that we have received with PSBP projects is that the EFA will not meet that cost. They expect the local authority to pay for that cost. That is a separate cost from the PSBP allocation for a particular school.

Andrew Seager: In the case of our project, we have two buildings being done. The second of the two buildings at Upton Lane is now delayed by half a term to a term. As I understand it, the reason for that is because of issues of removing asbestos from the building when it was demolished and who bears the costs—the EFA or the contractor.

Q12 Chair: Then, surely, the asbestos costs, if understood and factored in, will be part of the assessment of the maintenance needs, which drives the selection process.

Cllr David Simmonds: One of the challenges that we have had is that there have been mixed answers to this. From personal experience, we have had absolutely clear advice. Removal of asbestos and demolition of predecessor buildings is not included in the PSBP allocation and they will not pay for that.

Q13 Chair: So it is specifically excluded from a maintenance cost. There were sort of five-year maintenance estimates, which drive—then they were part of ordering the schools, as I understand it, to determine who was deemed to be in highest need. Are you saying that asbestos is definitively excluded from that?

Cllr David Simmonds: I suspect that what is happening in this case is that the EFA will argue that, because the asbestos is in a different building from the new one they are building—they are not refurbishing that old building and it will be demolished—they are not willing to meet that cost. Clearly, the school cannot open until the asbestos has been removed and the old building has been taken off site.

Chair: We will have the opportunity shortly to explore that with the Minister.

Q14 Bill Esterson: Just on this point about asbestos, David, you say that local authorities are being expected to pick that up. You are just talking about maintained schools there.

Cllr David Simmonds: No, I can only say that, in my specific experience, that is what is happening.

Q15 Bill Esterson: For academies as well?

Cllr David Simmonds: Yes.

Q16 Bill Esterson: Interesting. The question I was going to ask was: Building Schools for the Future had phases 1, 2, and 3. I take your point, David, that these things change and priorities change. Presumably, there was quite a large evidence base around which schools were which priority and, presumably, that could have been used to address the point that David was just asking you about, Stephen.

Stephen Beechey: First, the ethos behind how Building Schools for the Future schools were selected versus how the PSBP schools are selected was a completely different thought process. There was no evaluation under BSF for building condition. The way that the programmes were selected—the local authority was selected for its position and whether it got into wave 1, 2 or 3 and so forth.

Q17 Chair: So you're seriously saying that BSF took no notice of the condition of the schools that they were rebuilding?

Stephen Beechey: Its main focus was around educational attainment and deprivation. That is how—

Q18 Chair: But that would mean that they were knocking down reasonably new buildings.

Stephen Beechey: I never experienced that.

Q19 Chair: Is that what happened, David?

Cllr David Simmonds: Yes. Harlington school, which was one of those on the first wave of BSF was scheduled for that sort of work. That was 12 years old, I think.

Q20 Chair: That's beyond belief. So wasn't a fundamental of BSF the conditions of the school?

Stephen Beechey: That was not the ethos behind how things were prioritised.

Q21 Alex Cunningham: Weren't local authorities actually prioritising based on the condition of the building as well? I was the lead member at Stockton when we had the BSF programme. We looked specifically at the areas where the schools needed replacement and at whether we could amalgamate schools in order to create one school to drive all the educational attainment. But the state of the buildings was very much central to the criteria that we were supposed to develop a programme on.

Stephen Beechey: Chair, if I could comment on that, first, the prioritisation of whether you got into wave 1, wave 2 or wave 3 was not on condition. So Bristol was one of the first local authorities to get BSF funding, which it did basically because it had a particular issue around deprivation and attainment. I agree with you that, once you get into the detail

with the local authority, many other factors are then involved—as you say, in terms of building condition—but in the way in which it was assessed, you could have had a local authority at the very end of that line that had buildings in a very poor condition, but it would not come to the front of the queue.

Alex Cunningham: I understand and acknowledge that, which is quite different from the impression that the Chair had, that we were going around knocking down new schools to build them in slightly different places. David, you were nodding and shaking your head—

Chair: Sorry, Alex, before we go on, I am a bit unclear on this. The selection criteria were not based on condition and then there was a wholesale rebuilding programme, including of schools that were relatively new. That was my impression, and I just want to find out whether that is true.

Q22 Alex Cunningham: We seem to be talking about two different things here. We are talking about the selection of the local authority areas and which phase the programme was into, so you say, “That local authority into that phase, this local authority into a later phase,” but once it is at the local authority level—I see David nodding, because he knows where I am going—all those considerations were taken into account.

Cllr David Simmonds: The extent of works on the individual buildings would depend on the condition of the building; the selection of the group of schools was geographical, so it took no account of the relative condition of all of those schools—it was based on educational standards.

Q23 Alex Cunningham: I think that clarifies it—for me anyway. Some people have said to me that under the BSF programme, some of the work was a bit on the extravagant side, but it was going to create inspirational places, and what we are getting now is a lot of big boxes. Is that something that you would recognise?

André Baird: Certainly not in my experience. When we were informed by the then Secretary of State in writing that our school was going to be built, the letter was very plain that special schools would have a bespoke solution to meet the needs of their pupils and the needs of the school. That is what has been delivered. There were five schools in the batch of which I am a part, and all five schools are different, to meet the needs of their pupils. One of the things that all of the head teachers involved have been very clear about is providing a school and an environment that is suitable to meet the special needs of the pupils in that particular special school.

Andrew Seager: Well, to an extent schools are always going to be big boxes. I was thinking about this when you asked an earlier question—the difference between Building Schools for the Future and the Priority School Building Programme. As I say, we have buildings that I think are fit for purpose, but there are significant problems with the delivery of the project and the quality of the work—700 snagging items and some major defects—and we have what I can only describe as very impoverished external areas. If you saw my submission, you can see the state of the playground and so on.

The Building Schools for the Future had a broader scope, so there is a sense that the redevelopment did everything on the school site, including the playgrounds and so on and so forth. The position with the Priority School Building Programme, as we have had it explained to us by the EFA, is that it is a building programme; it is not a school estate thing. So we have been left with a building, which is a big box, but a functional big box—I am not complaining about that—but with external areas that we are going to have to spend a lot of money on, perhaps £250,000 of our own money, to enhance to the point where they are what students and parents should expect.

Q24 Alex Cunningham: So we will judge value for money of the schools built under this particular programme in five, 10 or 15 years' time, when some of these problems might well come home to roost because of a reduction in quality. Yes?

André Baird: If I may, I have no fears about the quality of—

Alex Cunningham: They might be different schools in different parts of the country—

André Baird: It has been fascinating to speak to my colleague, because we have had very different experiences. My school opened on time, on budget and without any defects at all.

Q25 Chair: On the point about the extended estate, as opposed to the quality of the box, so to speak, Stephen.

Stephen Beechey: First, there is an important point to make about the quality. The quality levels for PSBP schools and BSF schools are very similar. They are both designed to have a 60-year life, and the lifecycle elements of the components in the school design are very similar. In my experience, a BSF school is not a higher-quality school, in terms of the parts in it and whether it is fit for purpose and whether it will last a long time. They are very similar.

Q26 Alex Cunningham: There is a difference of opinion across the panel, then, because we are being told that outside spaces are poor and need investment, and things such as that.

Stephen Beechey: That is different. In PSBP schools, the building itself is built to the same standard and is a high-quality building. In terms of aspirational buildings, we are not comparing like with like. A BSF school typically has 30% more area, and has more cost spent on it. A case study that I submitted in the paper shows that there is an 80% cost increase to going from a BSF to a PSBP, so there is an 80% difference in cost.

Q27 Alex Cunningham: So a BSF school might be bigger and better, but it is not actually needed.

Stephen Beechey: Well, is it value for money?

Alex Cunningham: Well, does it deliver for the child?

Chair: This Committee previously found that it was not—

Q28 Alex Cunningham: Can I ask you about transparency in the allocation process? What does the Department need to do to improve transparency around the way that particular schools are funded?

Cllr David Simmonds: The best answer I can give is that one of the challenges is that the funding for schools capital—not just PSBP—is allocated through a lot of different funding methods. The one for faith schools is different to the one that applies to maintained schools and the one that applies to academies. Then there is additional funding that comes through separately for school meals, and there is PSBP on top of that. It is a challenge to weave it together, and for a head teacher who is sitting in a school that is not fit for purpose, understanding what levers they need to pull to get action is a challenge.

From a local authority perspective, having been through it, ultimately it came down to meeting with the Minister and negotiating what we were going to do. That is not ideal when there are literally tens of thousands, if not hundreds of thousands, of school buildings on lots of different sites around the country. We are not going to be able to run it like that. Having a much more transparent process, whereby people understand what the criteria are right from the outset, would be enormously helpful. In particular, bringing together all the separate funding streams, with one set of performance measures and one process for managing it, would make the whole thing much more efficient.

Q29 Alex Cunningham: So it would be possible or practical—call it what you will—to have one system for all schools, regardless of what they are called.

Cllr David Simmonds: Yes, and it would take away the suspicion that you sometimes get between head teachers, which is often expressed at schools forums, “Why has he had his school rebuilt when I haven’t had mine rebuilt?”

Q30 Alex Cunningham: How do the Government make sure the right schools are getting replaced, rebuilt or whatever? As you rightly say, there are examples across the country of head teachers saying, “Why on earth are they being replaced when we are not?”

André Baird: I think that the Property Data Survey should help with that in the future. In phase 1 and phase 2, local authorities prepared elements of the bids and the decision making they used to decide who they were going to bid on behalf of.

Q31 Alex Cunningham: Even given that they are out of date before they are collated.

André Baird: Yes. At least now with the Property Data Survey, there should be more transparency in the decision-making process.

Q32 Alex Cunningham: Okay. Lots of free schools have been built across the country, some of them in areas where they are not needed. How do you roll that programme alongside the new slim-line thing that David and I would like to have—one system fits all?

Cllr David Simmonds: I could begin to answer that. Politically accountable local decision making is the answer to a lot of these questions. There is a pretty much guaranteed delivery of free schools, simply because the vast majority will be there to meet basic need for school places. In Hillingdon, we opened two in September. They are on sites provided by the local authority, built by the local authority through contracts and let by the local authority to providers chosen by the local authority to meet the local authority's statutory need or demand for school places. We have another one opening in September on the same basis.

Q33 Alex Cunningham: I thought local authorities can't build free schools.

Cllr David Simmonds: All three will be free schools, and their providers will be free school providers outside that particular local authority family.

When you look around the country, whether it is London or any of the other big, metropolitan centres, where there is a huge rise in demand for school places, those councils, because of the requirement that any new school is an academy or free school, will by definition be opening lots of additional free school capacity. Where there has been more of a challenge—the EFA can talk about their role in it—is where existing schools or smaller free school providers open for reasons of school standards, which is somewhat a separate issue. There is again a very mixed picture. We have an issue in my part of the world where a school that was due to take 90 primary school children in September offered those places but has now says it cannot because the EFA has not been able to find a site on which to make the provision. In other parts of the country, there has been a much more positive experience. The challenge is mixed.

Chair: Thank you. Dominic.

Q34 Mr Raab: The LGA has argued that the funding for the school capital should be allocated to the local authorities via their local areas and they should dispense or disburse it. What does the panel think of that proposal? Perhaps, David, you could start, given your experience.

Cllr David Simmonds: In a sense, I would say that, wouldn't I? The purpose behind that proposal is to try to rationalise the rather confusing set of funding streams that we have. Without going into ancient history, many of the schools that were in BSF had been part of projects that were initiated probably five or 10 years before that when the DFES, as it then was, and the previous Government said, "You should be putting aside about 5% of your schools budget to make provision for future capital costs of rebuilding your schools."

DCSF, as it then became, came along a few years later and said, “Why on earth are you putting this money aside? You should be spending it on the education of your children.” That was one opportunity to rebuild those schools that was lost. BSF then came along and a whole lot of those schools, which had been waiting five years at the start of BSF and nothing had happened, have now gone into PSPB, which picks up about 13%, we think, nationally of the schools that would have been rebuilt under BSF.

The opportunity you get by bringing it together locally is to remove it from some of the national changes of direction that take place. That means a clear understanding at local level of the amount of money we have to spend, who is making the decision and the criteria for that, rather than, as we currently have, a whole set of gear changes at national level, for entirely understandable reasons, which none the less have meant that many schools now are 10, 12, 15 years beyond the point where they expected to initiate a complete rebuild.

Q35 Mr Raab: Does anyone else on the panel want to argue against that, or provide an alternative perspective?

Stephen Beechey: I could give an alternative perspective from my business experience and that as a governor at a number of schools. The issue has sometimes been that the local authorities will think quite short term and the school will spend money in a short-term way. From my experience as a governor, the money is not spent on the building. The money that is assigned to that school for building or maintenance work is not then actually used for that but for other things.

There are all sorts of discussions about whether there is enough funding for learning support assistance and so on, but that is what I have seen with my own eyes. The benefit of EFA distributed funding is that it does get used for building or maintenance work. There is definitely something to be thought about carefully when distributing funding around that sort of area.

Q36 Chair: Can you give us any insight on the cost? Is the EFA typically delivering schools at a lower cost than a council would?

Stephen Beechey: From our experience the EFA-delivered schools are generally at a lower cost than the local authority procured schools. Yes, that is our experience.

Q37 Chair: How big in extent is that?

Stephen Beechey: Currently, probably around 5% to 10%.

Cllr David Simmonds: In terms of the headline figures, the gap is much bigger: it is more like 20% cheaper. When you begin to look at the additional costs that have to be met to enable the school to open, such as computers, kit, furniture, roadways, playground surfaces, fencing, removal of asbestos, demolition of old buildings and that kind of thing, then the costs become at best comparable.

Andrew Seager: It's a ballpark figure, but we think in the end to bring the building and the site up to the standard they need to be, we will have to spend £600,000 of our own money. I don't think we would have had to do that under BSF.

Chair: At 80% or more, I would hope not.

Q38 Mr Raab: Does anyone else have a reflection on the local authority point?

André Baird: Yes. I will make two points, if I may. First, my experience is that at the time that the bid was successful the EFA was prepared to build a school of a size that met the needs of the young people in the school at the time. We knew that all the forecasts that I had and the local authority had were that we would require additional places in the future. The only reason the school is now of a sufficient size is because the local authority supplemented the EFA budget. The EFA budget would have been insufficient to provide the places necessary in the future. I put to them the absurdity of building a new school and then having mobiles in the car park in a few years.

I also think that in the process by which the schools are designed and planned under the scheme, there is a bit of a tension in terms of who is seen as the client. Are the EFA the client or are the school the client?

Q39 Mr Raab: Would you endorse the LGA approach?

André Baird: Whether a school is an academy or one maintained by a local authority, a local authority has an ongoing interest in a relationship with a school within its geographical area. The EFA have a task to build schools and do not have that same ongoing relationship with a school in the long term.

Q40 Mr Raab: I do not know who has the broadest experience on this particular point, but I want to ask a couple of questions on phase 1 projects. How long does it take between the award of funding and getting the workmen on site on average, in your particular experience?

Cllr David Simmonds: I can say that in terms of the feedback from the LGA collating research around this, it has been on average about a year before the first engagement.

Q41 Mr Raab: What is the first engagement—a shovel in the ground?

Cllr David Simmonds: No, the point at which surveyors come to visit the school to discuss the start of the building project. Again, I can only talk about personal experience of phase 1 schools. The only one where work is under way is the one where the funding has been allocated to the local authority. The EFA-managed one has not started and is not with any prospect of starting soon.

Q42 Mr Raab: Any offers on one year?

André Baird: I can give you some specific time scales. We were notified that our school was to be rebuilt in May 2012. We first met with the EFA in October 2012. The detailed design process began in June 2013 and lasted just over a year, and then the school took a year to build.

Mr Raab: I see.

Stephen Beechey: I can give you an example on the Midlands 1 batch, which is in Coventry. I can provide more detail about the particular dates around funding allocation and things, but with regard to when the procurement started, it was 28 weeks from the point of the procurement process to actually starting on site on Whitmore Park school, for example, which is a primary school.

Q43 Mr Raab: Andrew?

Andrew Seager: I am not sure, but I am happy to go back and check the dates, then send them through—the timeline from when we were told we were in the project to when the first shovel went down.

Q44 Mr Raab: That would be very helpful. A final question from me: does the panel think that the Government's target of 2017 for the completion of phase 1 projects is realistic—it has obviously been brought forward two years?

André Baird: The batch of which my school is a part will be finished in that time scale, I am sure.

Q45 Mr Raab: Any other views?

Cllr David Simmonds: I would be surprised if all of them will be doable in that time.

Q46 Mr Raab: The vast majority?

Cllr David Simmonds: It is hard to say. I would guess maybe half. I can only say that I am aware of projects where even letting the contract to start work is quite a long way away. So there are going to be some significant problems.

Q47 Chair: Given the focus on value for money and control of costs, London must face particular problems at the moment, I would have thought.

Cllr David Simmonds: It is a particular issue, not least because in many cases we are also expanding the size of the school, as André described, to meet the demands of rising numbers of children.

Q48 Chair: In my area, apart from finding the money and letting the contract, that is not a big problem. In yours, I imagine, it is.

Cllr David Simmonds: And when a secondary school says, “We were due to offer an additional 120 places in September 2016; now we know we are not even going to be able to open until September 2017,” that is clearly a big problem for 120 families.

Stephen Beechey: I am happy that it will be in by the date.

Chair: Thank you.

Q49 Neil Carmichael: Andrew, what sort of issues have you encountered during the course of projects that you have been involved in?

Andrew Seager: Right. Where to start? To be honest, the whole project has probably been the worst experience I have ever had as a head teacher. It really has been painful. With the very early stages of the design, we were the sample school for one of the capital batches. In the engagement discussions we had with the EFA, we were working out how our project could be delivered within the constraints and the design of the buildings. I think we probably had quite a lot of input into the layout and adjacencies within the building, because we were the sample school.

That went well, but it was probably around about the point where contracts were signed with the contractor—I cannot be sure of that—where we started seeing significant problems. Things that were in the education design brief, such as the requirement to have a secure perimeter fence, got dropped for some reason. We were told that the EFA would not provide the secure perimeter fence that we knew we needed and was in the design brief. There are other examples of that.

I have touched on the externals. It was explained to us that nothing was going to be done about them. They were as bad as the actual building itself. We had a significant problem around a canopy that we asked to be provided for students so that they could queue outside the building in the rain. The constraints of our site mean that we have to run split lunch times. There is no point where everyone is at lunch and you can queue people up in corridors and things like that very easily, because there are lessons happening on the other side of the wall. We are okay with that; that is an efficient and sensible use of space in many ways, but it did mean that wherever humanly possible, we wanted to have students queuing outside, which meant a canopy. That was agreed with the EFA, which changed its mind. We do not have a canopy.

We raised that issue with the EFA, because of what had happened. We were provided with two sets of notes for the meeting: one immediately afterwards where it was agreed that the EFA was providing the canopy and one six months later or thereabouts where we discovered that the canopy would not be provided. There was another set of notes that said we were paying the cost. That led to a complaint to the EFA. My board of governors—

Chair: You don’t need to do all of it, Andrew.

Andrew Seager: It's therapy. Anyway, it turns out that the EFA's complaints procedure—like all organisations, it makes a full and final response. My board was not happy with that. The final thing was to the parliamentary ombudsman, who wrote to us and said that he could not consider it by law. They have a faulty complaints procedure. It took up quite a lot of time, and we still have children queuing up in the rain. The second building is delayed, so we are expanding in September and we still do not have final arrangements for where the students will be put. I think we are almost there, but a couple of unpalatable options have not been ruled out yet. When we had to take occupancy of the first of our two buildings in September past, we had to go in. The old building had been knocked down, so we were homeless. The building just was not ready and there was this huge list of snagging items that are still not all resolved. We are now looking at a situation where—

Q50 Neil Carmichael: So there is a range of problems there, some of which I recognise from past experience. I have two brief questions. Do you think you were sufficiently involved in the specification of the project right at the start? Following on from that—you have hinted at this already—there were one or two changes en route. How do you feel about those two issues?

Andrew Seager: I think that the engagement and involvement in the project at the early stages was sufficient. There were some tough old meetings, but you would expect that, wouldn't you? I felt that that process went pretty well. It is about how things went when things went on to site. Decisions appeared to be being made that we were not aware of. We were not provided with the contract, and it took an awful lot of nagging, and ultimately a letter to Nicky Morgan, before we were provided with it. Had we seen that contract earlier, that would have been helpful, because then at least we might have understood why some decisions were being taken. We might have been able to ask the right question, such as, "This is in the design brief. Why has it disappeared?"

Q51 Neil Carmichael: Do you feel properly involved in the management of the project until now and hopefully when it is finally complete?

Andrew Seager: My understanding from the EFA is, their aspiration is that they get on and build the buildings, and head teachers, governors and senior staff get on and run the schools whilst the building project is being done; but to be honest, nothing could be much further from the truth. There have been many meetings, but the EFA have throughout been clear that they are running this contract, so we are a third party to it, but obviously we are the ultimate occupiers so we have a real vested interest and concern that the thing is being done properly. So we have meetings with the EFA, who tell us how things are going with the contractor, and we have frustrations that things are not getting finished and sorted out, but obviously we have no direct influence. So it is a kind of knight's move and it is not satisfactory.

Q52 Neil Carmichael: David, from your bird's eye position on your authority, is that a common situation?

Cllr David Simmonds: Yes. It is an extremely common situation.

Chair: Extremely common?

Cllr David Simmonds: Yes. Certainly when we look at some of the facts and the numbers, we are talking about an average of something like four to five years between the announcement of the allocation of funding and the likely completion of the project. From personal experience, there is a school in my patch that is part of a little batch and contracts have not yet been signed for building projects that were due to be opened in September 2016. So I think the prospect of that happening is unlikely. Certainly in the case of one I am aware of, we haven't yet had a planning application. I am also very conscious that if issues come up like this where the school head teacher says, "I have now been told, after a period of engagement, that my school is not going to have a secure perimeter fence"—

Chair: David, you are here not just in your Hillingdon hat. You are here wearing the LGA hat. You said it was extremely common. Can you quantify that for us, rather than speaking anecdotally?

Cllr David Simmonds: I am sure we can give you some numbers. I have a briefing note in front of me which does not give me numbers, other than making the point, but we can get them for you later.

Q53 Neil Carmichael: Stephen, given that we have just heard from Andrew, confirmed effectively by David, that there are some difficulties about delivery, I would like to know from you what we need to see, what we need to do, to improve outcomes.

Stephen Beechey: I think also the dialogue and the relationship between the contractor, the designer and the school is interesting because, from my experience, I have seen all the different dimensions of that, with schools very, very involved and schools not as involved. First of all, in terms of the vast majority of the PSBP schools we are involved in, it is almost as if the contractor does not speak to the school at all. There is a dialogue, but the EFA manage it and they put proper processes in place to manage that through, which I think is a good thing. But I think it is important also that schools have that relationship with contractors and designers, so that we get the best outcomes. That is important as well, but it does need management, and the EFA did do a good job on that.

In terms of some of the things that we have heard from Andrew, I think the way that some of that can be improved is perhaps to have absolute clarity at the outset on what is to be delivered, around all those different areas that he has mentioned, so that everybody is absolutely clear what is going to be produced, and so that there is the dialogue that goes with that. It sounds as though there is quite a bit of confusion, perhaps.

Neil Carmichael: Confusion about roles, procedure and basically relationships?

Stephen Beechey: Uh-huh.

Q54 Mr Ward: I don't understand what is going on here, because Stephen, yours is a wonderful experience, and Andrew, yours is a dreadful experience. This is supposed to be the same system. It is very difficult for us to come forward with recommendations or analyse what is happening when we have this. So in terms of recommendations, how does every school have the experience that you have had, Stephen? What systemic changes need to be made that we might recommend?

Chair: Anyone got any? If not, we'll move on.

Cllr David Simmonds: The one I would go back to is Sebastian James and the point about having local clarity and management—bearing in mind that the initial phase of PSBP 1 schools were originally due to be PFI. They were then funded through capital grant because there were not takers through the PFI. About 5% of them—the last ones that are being signed—are PFI contracts. You have different approaches to managing both those sets and completely different procurement issues are involved. Having one simple, clear system where everyone understands what they have to do and also who is to blame when things go wrong would certainly make life a lot easier.

André Baird: While the experience in my school and in our batch is far more positive than Andrew's, I would agree with Andrew in terms of the school being at the heart of the dialogue. We, too, didn't see the contract. I know that within the batch of schools, there have been issues in various schools—some minor, some more significant—where things at the point of delivery and construction were not as the school had thought they were going to be because they had not been included in the contract. The EFA seems unnecessarily protective about not sharing contracts with the schools.

Q55 Mr Ward: If you were in front of the Minister right now—you are actually in front of the Minister. This conclusion that it needed to be a refined and much simpler process as a whole seems to be the main recommendation.

Cllr David Simmonds: Just to help with André's point—it may be that a specific sign-off process where the school governing body agrees what is in the contract would be a helpful recommendation. Whether that is a final agreement or a specific requirement about consultation is not for me to say, but something that deals with that would be helpful.

Q56 Chair: Andrew, you may just be the unluckiest man in the programme. Sometimes jobs just keep going wrong, even with people who aren't that bad generally.

Andrew Seager: And if other people's projects have gone better, that is clearly a good thing. We have also seen on our project quite a lot of change of personnel and companies working on it. I wonder if that may be down to the teams that the contractor uses, the subcontractors they use, the supervision of those subcontractors, the supervision that the EFA provides and the people that they choose to provide that. Whether it is in that detail—someone from the EFA, I think, said that all contractors are capable of delivering a good project or a bad project. It all depends how the thing is managed. So I wonder whether it is particular combinations of companies and teams working on a project that will see it go either well or badly within the same framework. It is a thought.

Chair: Thank you.

Q57 Craig Whittaker: I think everybody agreed that if additional costs are incurred, those bills are not met under the Priority School Building Programme. David, you said that significant costs were not met and that significant costs needed to be spent before the key could be turned to open the school. What kind of significant costs are we talking about, on average?

Cllr David Simmonds: It will vary hugely. Certainly, a large part of the cost gap between what it might have cost under BSF and what it costs under the PSBP estimate will still have to be paid, but it will be paid through some source other than the PSBP money. For example, in London, where there are a lot of schools on tight sites, you have to demolish the old building to create the playing fields for the new school once it has opened. If you are not going to fund the cost of demolishing the old building and removing the asbestos through the Priority School Building Programme, that has to be met. There will then be a process of negotiation, because in some cases, if the costs are relatively modest, the school may be in a position to meet some of those—for example, if there is an academy sponsor in the background. But in many cases, to quote what one of my people was told by EFA staff, “We would normally expect to bully those costs on to the local authority.”

Q58 Craig Whittaker: Okay, so what is a significant cost? Are we talking ten thousand quid? Are we talking a few hundred thousand? Are we talking a few million?

Cllr David Simmonds: A few million on some larger projects.

Q59 Craig Whittaker: Okay, so no different from BSF then, where you traditionally had to spend £10 million before you laid a brick. Those were very similar costs.

Cllr David Simmonds: It is cheaper than BSF. To back up what Stephen said, the BSF certainly led to very high-specification buildings being chosen, which went beyond what was strictly necessary in order to replace the predecessor school building and provide an adequate environment in which education could take place. But certain things are missing, because you have to pay for a road and a footpath. You have to pay for computers. If there is asbestos in the old buildings, that has to be removed. If the old building has to be demolished to make way for the new school’s playing fields, that is not optional: it has to take place. If you need a fence around the outside of the site, that has to be done. Those costs have to be met from somewhere. If they are omitted from PSBP, they will fall on either the school or the local authority.

Q60 Craig Whittaker: So if, in the case of an academy or free school, the local authority says no, what then? Who picks up the cost?

Cllr David Simmonds: Well, the local authority is in a bind, because if it refuses to meet those costs, the school cannot open and it has to find somewhere else for all those

children to get their education. There is a sword of Damocles hanging above, because if, for example, a school is going to open with fewer spaces than it knows it needs for the number of children it is going to have, generally speaking the local authority or the school, or a combination thereof, will meet the shortfall.

Q61 Bill Esterson: David, can you give me a figure on what you think would have been possible if the BSF had been scaled down so that the specification was good enough in both educational and building terms, avoiding the problems that you have outlined? What percentage of the BSF do you think would have been able to achieve that?

Cllr David Simmonds: I am not a construction expert by any stretch, but the work that we did looking at the comparisons showed that you could probably have delivered the whole lot for 10% to 15% less money. You would have had adequate buildings with security fencing, roadways, playing fields and so on.

Q62 Bill Esterson: And that would have solved the problems that Andrew mentioned.

Cllr David Simmonds: It would solve the problems without gilding the lily.

Q63 Craig Whittaker: How do we assess the programme's impact? We have had a real mixed bag. I know from my experience in my own local authority what a shambles it seems to be. How do we physically measure it? There are so many variables. We know about PFI and other ways of doing it. We have heard about all the issues relating to contractors—who picks up the bill and who pays for what. I thought that the process was supposed to be relatively simple, and to simplify and make BSF cheaper. That does not appear to be the case at all.

Cllr David Simmonds: From my perspective, it is a relatively small project in the grand scheme of things. The feedback that you have heard from two head teachers has in many ways been a helpful illustration. It is a mixed bag. The decision to split it into lots of different procurement processes almost inevitably leads to that kind of frustration. Those are the kinds of issues that we have been highlighting. The question is going to be whether, in five or 10 years' time, the schools that you have heard about are providing a good standard of education. That is not going to be easy to measure today.

Q64 Chair: And it has remarkably little to do with the quality of the buildings.

Stephen Beechey: It is a far simpler system than BSF. There are far fewer moving parts to consider. BSF had to consider ICT—

Q65 Craig Whittaker: But if they are not including a lot of the costs, of course there are far fewer moving parts.

Stephen Beechey: Well yes, but the design and build element, which is what PSBP is—we are considering only that bit; we are not considering all the other bits—is simpler. The thing about trying to minimise the delays going forward and getting schools built as quickly as possible is that the actual system itself is quite simple. It is a six-week procurement process to get the contractor appointed, and it is then about submitting planning. That is the critical activity—to get the planning application in and move that on. One problem that has been experienced with some of the PSBPs is this delay on planning. Take our experience in Coventry: the local authority has been very supportive of the planning process and we have had no delays on the planning—it has gone through very smoothly. For other batches of PSBP, it has not been quite as smooth with the local authority. That is one area that is quite important—that shared outcome.

Andrew Seager: What I would say is that before we went into the Priority School Building Programme we were in appalling accommodation and were essentially a school with no future until we had a new building, because there is only so long that you can go on in impoverished accommodation. So, for all the things I have said about it, the programme has given us a future. It will see us expand. I believe that we are finding it easier to recruit staff because they are now part of something that is moving forward. You can say, “This is the new school and these are our plans.”

We have also seen higher levels of pupil engagement in lessons in the new buildings. That is a consequence of two features. First, very high levels of visibility—we fought hard in the early stages to get vision panels in all the classrooms, and we won. That is really paying off. Students concentrate much better on their lessons and we also have decent-sized classrooms. We went from a place where teachers could not get to the back of the classroom because they were just so small and so cramped. Fair dos—this thing has given us a future. We have the early signs that we are delivering a higher quality education as a consequence of the new building.

Q66 Caroline Nokes: I just want to turn this a bit from focusing on those who have received funding and have built new schools to those who have not. What is the impact on those schools that expected to have funding under BSF but have been unsuccessful under—I’m going to get this the wrong way around—PBSB? PSBP?

Chair: I find it impossible. David.

Cllr David Simmonds: At a national level, we know that about 87% of the projects that were due to be funded under BSF have been cancelled. Many of those schools had not only waited five years for BSF, but had a previous wait following previous DFES capital allocation decisions. Andrew has described a situation where, in some cases, schools probably feel like they have not got a future because they are staggering along in inadequate buildings. Because of a lack of local clarity, it creates a bit of a perfect storm. It is not worth the local authority spending loads of money upgrading a school that in a few years is probably going to be demolished and rebuilt anyway in the Priority School Building Programme. Of course, at a time when funding is tight, you are trying to use that money as efficiently as you possibly can, which generally means maintaining what you need to maintain to ensure that your education offer stays solid.

Andrew, André and any other head teacher would probably be able to describe to you the challenges. If your building is adequate, you can get on with doing a really good job. If your IT does not work because water leaks mean that you cannot use the systems properly, your heating does not work so you have to close part of the school in winter, or the roof is leaking so you cannot use some of your classrooms—those are challenges that make delivering good education that bit too difficult, as opposed to just being a bit of a challenge. Those are the kinds of issues that schools are still facing.

Q67 Chair: David, we touched on this earlier: the James review recommended a single pot for all this, did it not? We will ask the Minister in a minute, but what is your understanding of why the Government did not do that?

Cllr David Simmonds: I think it was probably a combination of things. One of the things that they were concerned about was that there would be greater economies of scale by procuring some of this activity at a national level. I would simply say that I do not think that it is necessary to procure it to a national programme to achieve any sort of economy of scale.

Q68 Chair: Well, you would say that.

Cllr David Simmonds: Well, look at any sizeable local authority that is looking to rebuild 10 or 12 schools. That is of a size, if not bigger than many projects that are being procured by the EFA. That is a level at which you can parcel it up. The market for construction and the market for funding seem to like that.

Q69 Chair: Some local authorities are pretty hopeless at procurement though, aren't they?

Cllr David Simmonds: They are—

Q70 Chair: Some local authorities in London are spending £5,000 or more per square metre because they are just not very good buyers. Isn't that true? There is a bit of a tension there. It is easy to say that if you go local, they will know their thing, they can plan, they have the commitment and they will deliver. Very often they don't. They just squander vast amounts of money because they are not very good at it. Is that fair?

Cllr David Simmonds: We need in each case to be careful about what lies behind the figures. Clearly, there are a lot of people with a lot of interests in saying, "My figures look more flattering, so give me the business." If you are building additional spaces that require you to put a third storey on a two-storey building in a constrained site in central London, the costs will be higher than if you were procuring the same amount of space on a rural greenfield site where there are no such constraints.

It is not necessarily easy to compare one site with another. If the site is sloping, it is generally much more expensive to build on. Again, I can say from personal experience that you get two sets of surveyors. One says that you need 12 pilings at £60,000 each and the

other says that you need 30 and that if you don't have 30, they won't guarantee that the building will stay up. A decision has to be made then about which of those options you are going to accept.

Q71 Caroline Nokes: I want to follow up. Andrew, you mentioned that it was harder to attract teachers. What about pupils? Does it become a self-perpetuating spiral?

Andrew Seager: I think it could do. In our case, we have never had a problem attracting students. We are a popular school. We occasionally pick up a small number of cases where parents say, "No, I don't want to send them there because the building is really bad." Overall that did not present us with that much of a problem, and Newham has got a lot of children, as well, which helps. For me, it is less to do with the potential dwindling numbers, although I can see that in other circumstances that might be a problem. It is more to do with getting the quality of staff that you need to provide the really good education. Teachers can look around and think, "I can work in that one, or that one, or that one. I will go somewhere else."

Q72 Chair: If you have made it worse, anyway; it is your responsibility, isn't it, Andrew? People would previously have fled a lot of London schools but are now coming back in, which must further exacerbate the problem.

Andrew Seager: Well, yes.

Q73 Chair: If you did not improve education there would not be so much pressure.

Andrew Seager: Sorry about that.

Q74 Mr Ward: In a recent debate on Todmorden and Calder high schools, the Minister said that if the schools are unsuccessful in their PSBP bids, it would then be for the local authority to step in and provide the necessary finance. Could we talk about the capacity of local authorities to make up the difference? David, have you got any experience of how difficult that would be or is proving to be for authorities?

Cllr David Simmonds: I would certainly say a strong word of praise for David Laws and Lord Nash. David Laws in particular has been very helpful in progressing some of this work with local authorities. The reality is that capital is very cheap at the moment. You can borrow at an historically incredibly low price.

As a local authority, through access to the Public Works Loan Board, you can obtain the money to invest in school buildings and other capital projects at an extremely low price. That is a big help with that. Of course, the challenge is again that different parts of the country and different local authorities are in a different position.

If your budget is quite sorted, you can look at borrowing the money. At Hillingdon, when we move into our second phase of school places provision we are looking at spending

about £430 million in total, of which substantially more than half is money that will be provided by the local authority. The access to the markets is the way to do that.

I am conscious, both in London and elsewhere, that there are authorities with budgets much more finely balanced that are finding it a real struggle to think where they would get the money when they need it: £250,000 extra for a school playground or £200,000 for additional school places.

Q75 Mr Ward: How much politics is there in this? I know there is a motion to Bradford council criticising the Government for the failure to put enough money into school buildings. What is the non-political statement? I will go to someone other than David. How much money is being put into school buildings? From the historical perspective, what does it look like?

Chair: I'm not sure anyone here is ready to answer that.

Mr Ward: Well, you have had experience over quite a long period of time.

Stephen Beechey: Well, obviously a tremendous amount of investment has been put into schools since around 2001. If you look at the graph of what was spent in schools in the '90s and late '80s it was not a lot, quite frankly. Around the year 2000 a lot of investment went into schools and continued to flow through to BSF and into PSBP. So there is significant investment going into schools; that is very clear.

Q76 Chair: Is it better than it used to be? One problem of not investing in the '80s and '90s was that the schools that had been built the generation before were pitifully short-lived. The '50s, '60s and '70s was not a high point of British construction values. You talked of a 60-year life earlier. Are we building something comparable with the quality that the Victorians put up that we can refurbish today and carry on using? Are we doing something of that quality?

Stephen Beechey: We are absolutely not making the mistakes that were made in the '60s and '70s, when all sorts of poorly constructed buildings were put up. All the lessons learned through that have been put into new buildings. It is difficult to say whether they would last as long as Victorian buildings, because they are solid and would be very expensive construction now in terms of the thickness of the walls and the building itself, but they are comparable and if they are well maintained, which is one of the key things, they will last for well over 60 years.

Q77 Mr Ward: A lot of authorities made rational decisions and delayed the maintenance of schools that they believed would get into BSF 3, for obvious reasons. If they were not successful on PSBP, what is the state of those schools, and is that a serious concern for us?

Cllr David Simmonds: It is a serious concern. We have estimated the maintenance backlog nationally at around £15 billion, and about £4 billion has been allocated towards that

through PSBP. That is to deal with the schools that are in the worst condition. Clearly, that is a big shortfall.

The reason why it is potentially approaching a bit of a crisis point comes back to this history thing. Many of those schools were told that there was a particular funding mechanism. They knew, therefore, that they should not be spending money on maintenance because they were going to be getting a rebuild funded by their 5% top slice. That stopped because it was going to be BSF. Then that stopped, and it was going to be Priority School Building Programme, but that is quite a small proportion of the total.

Coming back to your original question, the benefit of doing it at a local level is that there is clear accountability. You don't get the situation where, frankly, I can blame the Government if a local school is complaining to me about why something isn't happening. The Government is my party, and I'm not very happy about doing that. But, of course, it is easy at a local level. Your example of Bradford may be one of those—it is somebody else's fault that the money hasn't been spent. In many cases, because the money is in multiple funding streams at different periods of time and controlled by different people, nobody is accountable.

Chair: Thank you. The final question from Craig, then I will let you come in, Stephen.

Q78 Craig Whittaker: We have heard of the things that are not included in the Priority School Building Programme, compared to what there was in BSF. Are those exclusions the only thing that makes the Priority School Building Programme cheaper?

André Baird: It may make it cheaper for the EFA and the Government, but I don't think it makes it cheaper in its entirety. In the schools I have knowledge of, we have all discovered that we had to meet costs that we simply did not anticipate when we were told that our schools would be rebuilt. You asked earlier about the costs. For example, in my school, to put in sufficient security systems, to put in certain features within the building and to put in IT that was suitable for the new building, it has cost us in excess of £150,000. That is not untypical for the schools in the batch that we are part of.

Q79 Craig Whittaker: All right. So in your view, it is the same cost as BSF.

André Baird: Yes. Some of the costs falling on to the schools would not have done so previously.

Stephen Beechey: To be clear, are you asking whether the overall cost of the schools is similar to BSF?

Q80 Craig Whittaker: The Government champion the fact that the Priority School Building Programme is 20%, 15% or 10% cheaper than BSF.

Stephen Beechey: Yes.

Q81 Bill Esterson: Why?

Stephen Beechey: There are a number of elements to that. First, it is a smaller area, so it is more efficient in area terms.

Q82 Craig Whittaker: Let me make it simpler for you. If we are discussing like for like, is it cheaper or more expensive?

Stephen Beechey: PSBP is cheaper than BSF.

Q83 Craig Whittaker: And that is on a like-for-like basis with BSF?

Stephen Beechey: Yes, a like-for-like basis.

Q84 Craig Whittaker: Why is that?

Stephen Beechey: It is smaller on area, which is one issue. It is a more efficient design, so the components are more efficient. The way that the EFA specifies the schools is very precise, around an efficient building. What we call the kit of parts, which is the way that the building is put together, must be efficient, and it must reflect value for money around the supply chain.

Q85 Craig Whittaker: Okay. So with all the costs that the EFA spends through the priority school buildings and the additional costs of schools, local authorities or whoever, it is still a cheaper programme.

Stephen Beechey: Yes.

Q86 Craig Whittaker: Okay. Does anybody have a different view?

Cllr David Simmonds: Not a substantially different view. I would question whether the construction is significantly cheaper. The one thing that you see a huge saving on is that under BSF you had to create a common investment vehicle at a local level. My authority was expected to pay—and had spent at the point at which we cancelled it—£3 million to meet requirements that the Government laid down. They said, “You have to have a wholesale design plan for the whole local area and you have to set up this partnership, which can’t be led by the local authority.” The bureaucratic cost was enormous. In the finished school project, that on its own would have accounted for about 3% or 4% of the total cost of £200 million, for which we would have seen very little, if anything, in actual bricks, mortar or anything like that.

Q87 Chair: Stephen, in your submission you gave us a comparison showing that it is not only a leaner, smaller building without these huge public areas that would be much more expensive to maintain and were unnecessary, but also that the cost per square metre of this smaller school—which is still perfectly functional, much cheaper to run long-term and thus more sustainable—is £1,800 per square metre compared with £2,500 under Building Schools for the Future, even though it was later and all the rest of it. That is a 39% saving, even before you factor in that you were building huge cathedrals to education, based on a misplaced idea that you could transform education through buildings that was fundamentally false.

Bill Esterson: You are supposed to be asking a question, Chair.

Chair: Sorry. There was a question in there. I try to keep myself level on this, but I find that seeing so many schools in such a bad state in my area while vastly expensive cathedrals to education are put up elsewhere on a misplaced premise has always affected my ability to view this objectively. Stephen, give us an objective insight.

Stephen Beechey: An objective insight is that the figure of £2,529 per square metre is based on a BSF school in Luton—a new build, 960-place school. We then pro rata'd that across to a secondary school we are building in Coventry under PSBP. We have allowed for inflation, and that comes to £1,819 per square metre. That is a saving of 39% and that is based on fact.

Q88 Chair: That is per square metre, but the overall budget ends up, like for like—

Stephen Beechey: Like for like.

Chair: If you don't spend on outside stuff, you don't spend on it; that has to be found from somewhere. But it is an 81% like-for-like reduction in cost.

Stephen Beechey: The 81% includes the area reduction. If we are talking about capital costs—

Chair: Internal area?

Stephen Beechey: Yes.

Chair: Not outside.

Stephen Beechey: Purely on a capital cost basis, there is a 39% saving.

Q89 Chair: That is pretty significant. Thank you—did you have one final point?

Stephen Beechey: Just one final point, which I think Caroline raised before and is very valid—she talked about the future of schools, and head teachers and governing bodies not being able to see where the future comes in terms of funding for their school if it is in poor condition. I feel, as a non-political party here, that we should have some long-term

commitment to replacing schools, so that schools know they are going to get some funding in five years, eight years, 10 years or whatever it looks like. It is quite serious for a school not to know when it is going to get that sort of funding.

Q90 Chair: And David laid out how that could lead to really difficult decisions and possibly bad decisions. We will waste money on something when it gets rebuilt, and then perhaps they should be doing the maintenance but they don't know that because they don't know whether it is going to get rebuilt in three years' time or perhaps five, more like. That is a bit of a problem.

Gentlemen, thank you very much indeed. If you have any further thoughts, please get in contact with us. For the most part, the publication of today's session will be our contribution. We are not producing a Report. We have produced our final Report in this Parliament. Thank you very much indeed.

Examination of Witness

Witness: **Rt Hon David Laws MP**, Minister for Schools, gave evidence.

Q91 Chair: Good morning, Minister.

Mr Laws: Good morning. It is good to be with you, Chairman.

Chair: It is a pleasure to have you here. You are the last Minister to appear before us in this Parliament.

Mr Laws: Great.

Q92 Chair: And you have been in the Department for some time now. We have limited time though, so we will concentrate on the Priority School Building Programme. How fit for purpose is the overall scheme of things? James suggested we have one pot. We have heard today about different pots and the difficulty of seeing the future and therefore making rational decisions based on an understanding of the money that is likely to be available. Even the money that is available is split into so many pots that you would have to be a bit of a genius to get your head round it all and properly predict what you are going to get and when. Is that a fair characterisation or not?

Mr Laws: I don't think so. I am very proud of what we have done over this Parliament on the school capital programme. In your discussions, you have reflected a bit on how we have changed things from the previous Parliament. I do not want to look backwards too much. I am sure that you do not either, but reflect on the fact that in the previous Parliament we had a capital programme, particularly in relation to Building Schools for the Future, that was very slow-moving and bureaucratic compared with the existing system. It was extremely expensive, which meant that we could do only a smaller number of schools. I

am sure that you will want to come back to that particular issue. It was not, quite strikingly—you picked up on this earlier—related to condition need. We were not sending money to the schools that needed the money most.

We have changed all of those things. We have done that not only in our central programmes—the Priority School Building Programme 1 and 2—but also, through the Property Data Survey, ensured that in future, allocations of maintenance money to a local authority level will follow need and not simply pupil numbers. We need to reflect on the fact that it is not just the central programmes that were badly structured under previous Governments. It is also that the allocations to local authorities and local schools seemed to bear no relationship whatever to need because we did not have an idea of what the different needs of the school building stock were across the country. This is a really good news story. I am pleased that you are scrutinising it and we will learn whatever lessons we can, but I am very proud of what the Government have achieved in this area.

Q93 Chair: Thank you. So you have the survey of the school buildings. Are you planning to do another one? Originally, you were going to do it as a five-year rolling programme and then it was brought forward and done a little more quickly. Would it not make sense to have a plan to renew this over time? I would have thought, notwithstanding your positive answer just now, that you would tend to streamline the funding behind it, so you have a very well informed, planned, updated picture. David Simmonds talked about the fact that no sooner have you finished it, it is out of date. Perhaps you could reflect on that. What does a rational system look like so we do not get wasteful and so that we do not go for years failing to invest in our buildings—save a penny now and spend a pound later as a result—or get involved in crazy expenditures that are not linked to the basic needs of the building?

Mr Laws: I think a rational system has to have a number of components. First, there needs to be long-term planning. I am pleased that we had an allocation of capital from the Treasury at the last spending review for a six-year period, right up to 2020-21. We have now, as you know, moved to basic need allocations for three years and maintenance allocations for three years. Long-term planning is important. Allocating the money in an evidence-based way, preferably on the basis of need, rather than some other factor is incredibly important.

We have to ensure that we have a mechanism to continue to update that in the future. We have to decide whether that should be on the basis of locally-commissioned work or nationally. We have to ensure that, in doing that, we do not create incentives for parts of the country to under-invest in their school building stock and then be bailed out by national Government.

Q94 Chair: How do you get that balance right? You do not want to create that perverse incentive, but we know that it is not always just incentives. Some people are just not very good at it.

Mr Laws: I think that we have made clear that, in future, we will have much more transparency around what local authorities are doing in terms of their basic need funding, how expensive each school place is, and their maintenance funding—what they are spending

it on and whether they are spending it in full. It would be open to a future Government looking at the way that maintenance funding was used by a local authority to decide that, if it had neglected the maintenance of its school building—for example, if it had been allocated £10 million for maintenance and only spent £2 million—that could be taken into account in future allocations. The other thing that I think a logical—

Q95 Chair: I want to stop you again. You talk about local authorities. Of course, 60% of secondary schools are now academies. For primaries, that is growing all the time. How does it work across—you still have a minority but not far off half of academies are stand-alone institutions so you are relying on their ability to understand their stuff when some local authorities have failed so miserably. How will it work for academies? How will you have a system that effectively channels them to do the right thing?

Mr Laws: In two ways. First, where there are groups of academies, it makes sense to devolve above a certain number of academies to the groups, rather than to individual schools. We have done that, as you will know, in the maintenance allocations this year. Single-standing institutions have to be able to bid to a central pot because it would not be sensible to try to allocate individually. Also, there is a case for having a national programme such as the Priority School Building Programme 1, 2 and successors. There are two reasons for that. First, we really do believe that the evidence shows that when you manage these things centrally and can have a standard procurement and batch schools up, you get a much better financial deal. Commenting on the end of your earlier discussion, the data we have show that the pound per square metre of these buildings compared with Building Schools for the Future is about 35% on average less, which is an enormous saving.

The other thing we have to bear in mind is that sometimes we are talking about local authorities or groups of academies that are quite small—they are not a Kent or Hampshire—and there are occasions where, instead of just having maintenance money and rebuilding bits of schools, it is far more rational to knock down an entire school and rebuild it from scratch. There are some local authorities and academy groups that simply do not have the budgets devolved from central maintenance to be able to do that.

We think any future Government will want to have some kind of central programme that is efficient and cost-effective and can do those really lumpy school-building projects that we are trying to do in PSPB 1 and 2. It would be mad for us to try to control from Westminster and Whitehall the maintenance budgets for every single one of 24,000 schools. That is why we have to have a logical system to devolve below those national programmes.

Q96 Chair: So what about that stand-alone school?

Mr Laws: That stand-alone school will still have to bid into a central pot. We have got the condition improvement fund. I should say to the Committee that we expect to make a further allocation of money through the condition improvement fund to hundreds of schools before the Dissolution of Parliament, over the next week or so. Obviously, there comes a level where you have to be able to do that to individual schools and that is being done by the EFA.

Q97 Chair: Take a small secondary school that does not want to grow but does quite a good job educationally. It may not have done historically, it may be in a poor condition now, and not have the expertise to do a particularly good job going forward. How do we get the balance between the madness of trying to do their maintenance from Whitehall and the madness of expecting them to be really good at property, when they are not?

Mr Laws: What we have discovered since the academies programme was established is that even individual academies have become increasingly professional in the management of their estate. The number of bids we get to the academies capital maintenance fund and now the condition improvement fund is very high and very high quality.

That also shows that the vast majority of schools concentrate on things that are crucial for maintaining the school building stock but are not always the sort of sexy, prestige projects. A huge number of the projects that come in through that are for replacing poor-quality roofs and boilers and so forth. Those individual schools are showing responsibility and skill in managing their own estate.

Q98 Chair: Has a market developed for people to provide that service to them? Because some just won't be very good at it.

Mr Laws: Yes. A market has certainly developed. There are people out there who are very keen to give advice to schools on these issues. They are keen to win business in a competitive environment and to advise schools on how to present their bids to us. That means that we have to ensure that our scrutiny is very high quality as well.

Q99 Bill Esterson: How much does that advice cost?

Mr Laws: I don't have a figure for what that advice would cost, because that is procured by each individual school, but it will be very small in relation to the overall savings that we are driving across our capital programme.

Q100 Bill Esterson: Don't you think it would be a good idea to work out whether that is a good use of money for stand-alone schools with scarce resources, compared with a more collective approach to the process?

Mr Laws: It would be very difficult to do that, because you would have to survey thousands of schools. We know that those costs are really pretty small.

Q101 Bill Esterson: You don't know how much they are.

Mr Laws: I don't have a figure to give you today.

Q102 Bill Esterson: How do you know they are small?

Mr Laws: Because the costs you are talking about for an individual school are not particularly high. They will run into very low figures in relation to overall school budgets. Rather than try to pick a figure from the air, if you want me to send the Committee a note giving estimates of those costs, I would be happy to do so.

I would say that my experience as a Minister and local MP—and I suspect yours as MPs—is that often individual schools are more imaginative about the management of their estate and assets than is sometimes the case where you have a local authority managing a vast number of schools with limited personnel resource focusing only on those that are in the worst condition. There are lots of individual schools, including academies, coming up with really quite innovative ways of using their estate that would have been passed over in a situation where they were reliant upon just local authority officers.

Q103 Bill Esterson: So for those schools to take advantage of that situation, there needs to be a larger amount of capital available, doesn't there? David Simmonds made the point that capital is very cheap at the moment. Do you think the time has come for a much bigger school building programme?

Mr Laws: You will say, "You would say this, wouldn't you?", but I actually think that the size of the school building programme that we have in this Parliament is extremely well judged. In historical terms, the amount of capital that we have allocated over this Parliament compared with, for example, the first two terms of the last Labour Government, is considerably higher—£18 billion over the whole of the Parliament. We are not allocating at the same rate that the last Government did in its last few years, where we had this very expensive BSF programme, but we have a very generous budget not only for maintenance but for basic need.

As you know, we have built 450,000 additional school places with that money since 2010. We have this very impressive programme to maintain and improve schools. We have over 500 schools in PSBP 1 and 2. We need to continue a capital programme of that type in the future, for both maintenance and basic need, given the pressures on school places.

Q104 Bill Esterson: My question was: do we need a much larger programme? There are schools crying out for this kind of investment, the rebuild that you referred to often being no small part of that. Do you think that the time is right, given how cheap money is at the moment, to expand this?

Mr Laws: I think that it is clearly a good time to be investing. It has been over the last few years, when the construction industry has been very weak. The economy is now picking up considerably, and the construction industry is picking up with it. It is a good time to invest, and any Minister responsible for the school estate is going to want as much money as possible. But do I think we have a good capital programme at the moment? Yes, I do. I would never turn away money from the Treasury, but I think they have given us a good settlement out of 2020-21.

Q105 Bill Esterson: You have talked about the basic need money a few times. Why did you use that money on free schools in areas of surplus places instead of on one of your pet projects, which is universal infant free school meals? There are still many, many schools that do not have adequate cooking facilities on site.

Mr Laws: No, I think we have come up with a very good amount of capital for universal infant free school meals. We will have to wait and see what other announcements are made before the end of the Parliament, but we will have allocated almost £200 million for kitchen capital. In addition, the money that we give to schools and that schools can bid for through the capital improvement fund—what was the academies capital maintenance fund—and the money that we have devolved to local authorities is regarded as money that could and should be drawn on for these purposes. That is what local authorities and schools would do in the past.

We recently allocated £4.2 billion of maintenance money to local authorities for the next three years. As well as the almost £200 million they have specifically for kitchen and dining facilities, they could and should draw down on that money if they think they need more. But I think we have had a good settlement from the Treasury on the universal free school meals.

Q106 Bill Esterson: There are still a hell of a lot of schools that did not get the capital. No schools in my borough were awarded capital. No schools in Knowsley, Liverpool or Lancashire were, either. Those are all the immediate neighbouring boroughs.

Mr Laws: I think you are talking about the latest bidding round.

Bill Esterson: That's right. No school in my borough has had any money at all from Government for this programme. They pointed out that it was odd that schools in the Prime Minister's constituency and in the Secretary of State's constituency were awarded money for these things. The area I am talking about is far more deprived. How does that work?

Mr Laws: Well, let me say two things. First, the £150 million for universal infant free school meals capital was allocated—indeed, we were criticised on this by some people—in an entirely fair and heavily pupil-driven way across the whole country. Your local authority would have got some of that, as well as every other local authority. The local authority then determined its own priorities. We then had an additional fund of money—almost £25 million—to allocate to local authorities through the condition improvement fund, which is a bid-based scheme. Those bids have been assessed by officials. Let me absolutely assure you that Ministers accept—and scrutinise, of course—the calm, rational, measured and non-political advice that comes from officials. We don't pick kitchens or dining halls to do on the basis of who happens to be the local MP.

Chair: If we could return to PSBP.

Q107 Bill Esterson: Absolutely, Chairman. But before we do, the other point put to me is that there is great concern that parents are not now applying for free school meals

because of the universal free school meals policy, which is hitting the most deprived areas really badly. I am sure you are aware of that. What are you doing to address it?

Chair: I think the question is clear.

Mr Laws: Briefly, we are following the excellent advice of the previous Government. You will know that the previous Labour Secretary of State established pilots for free school meals in a number of places, which showed that there was not a material drop-off in registrations for free school meals.

The medium-term answer, which we are looking at actively now, and which is a good thing to do regardless of the universal infant free school meals, is to move to an automatic data-sharing arrangement. Instead of schools having to collect information on entitlement, which was a problem well before universal infant free school meals, there will be an automatic data transfer, so every single school will know exactly what the entitlement is without the nonsense of having to register.

Q108 Bill Esterson: And you are going to bring that in straight away?

Mr Laws: No, it requires legislation on data sharing. We have no idea who the next Government will be, but my strong recommendation to whoever is in the next Government is to have a data-sharing Bill and to bring forward measures that would allow the Government to do that.

Q109 Chair: If a coalition exactly the same as the one now were in government on 8 May, when could it be brought in?

Mr Laws: I think it could be brought in any time from the autumn of 2016 onwards, but we are doing more detailed work on exact time scales. I would not want to make that a final commitment, but I think it could be done quite quickly.

Chair: Potentially the end of 2016.

Mr Laws: That would be the earliest date, but it is not years and years.

Q110 Bill Esterson: Back to the subject at hand—PSBP. We have heard concerns, some of which we heard in the previous session, about the fact that although the current programme is delivering in terms of build quality, it may not be as good in terms of educational provision. As the Association of School and College Leaders said, it does not always meet the specific needs of individual schools. What is more important—providing improved educational environments or delivering school buildings as cheaply as possible?

Mr Laws: I think it is possible to do both, first, because our procurement is much more efficient, not just more timely, than the predecessor scheme, Building Schools for the Future. We are also not building what the Chairman described as, in some cases, almost palaces, with enormous entrance halls. They are great and lovely to have, but every time you

build a school for £40 million or £45 million, you are not able to afford a school that should cost £15 million. Some of the BSF schools cost as much as £45 million. Secondary schools cost on average about £20 million. We are building, even all these years into the future, at about £15 million per secondary school. That has got to make sense.

All the feedback I am getting from schools about the quality of the final product is very complimentary. I can pass on to the Select Committee the comments of lots of head teachers and governing bodies across the country that are really pleased with what they are getting. We are not building low-quality schools that are going to fall down in five years' time. We are not compromising on quality, but we are driving down the price and getting very good value for money out of it.

Q111 Bill Esterson: Do you take on board the point Andrew Seager was making to us, which is that in his experience and that of other schools, there are still long-term problems? This is only a partial solution, and the schools themselves are going to have to deal with financial commitments as a result. It is not a comprehensive solution, for want of a better description.

Mr Laws: No, I don't think that is quite right. First, I don't think his school, the Stratford School Academy, is representative of the experience of the overwhelming majority of schools going through this programme.

Q112 Chair: Do you have data on that? We have heard anecdotes, and you have just given us some more. Do you have any quantitative data to back up the fact that head teachers for the most part are more with André than Andrew?

Mr Laws: I certainly have lots of quotes provided to me by officials of all the nice things that head teachers have said. I certainly have statistics on the build costs and the time scales. Obviously, when you are reliant on a qualitative judgment about an experience, you can do that only through the comments that people make. I can try to collect those and pass them on to you.

Q113 Chair: You could do a survey and ask them to tick whether they are very happy, happy, neither, unhappy or whatever. It is not that difficult. You'd think that having spent millions building it, you might bother to ask the guy concerned what he thought.

Mr Laws: I would be very happy to look into whether we should be formalising it. We are very confident that the feedback would be good. I should say—and put clearly on the record—that Andrew's project, the Stratford School Academy, has probably been, according to our experts, the most difficult project to deliver in the whole PSBP. There have been very complex site issues, some contractor issues that I can't go into entirely in this forum, and there have been some disagreements with the school over aspects of the project.

On the aspects of the project issue that you touched on, let me be clear what the principle is. The principle is, particularly when we need to rebuild an entire school or large parts, that we want to go in and do it properly and leave the school with a high-quality

product. Understandably, a school that is being completely rebuilt will try to get things upgraded that might be there, but it would like better. You would like things better in the outside area and you would like to have every piece of furniture automatically replaced, rather than have to recycle some of the old furniture. That is not necessarily good value for money.

Q114 Bill Esterson: Hang on. I accept the point about cathedrals that you and the Chairman have been keen to make. However, isn't it important that everything works and is in place, with things such as IT and the physical environment, and that an holistic approach is taken? It is important with a project like that that you don't leave things for later. Don't you accept that?

Mr Laws: It is certainly important that the quality is very high and that we do not leave new buildings with imperfections that should be addressed. It is certainly important that necessary things outside the building should be done. I am told that we probably spent about 12% of the budget on PSBP 1 on things that are outside the school building. It is not true that we just rebuild a school and leave the area around it in a mess.

There is an issue on value for money. I am not talking about Andrew's school in particular. If you've got a school that has 200 computers that could transfer perfectly sensibly to the new school, but the school would like them all to be new, there is an issue for us about value for money. What we do not want is for this to be a wasteful programme and go back to some of the wastefulness of the past. We have to make a judgment about what we think are reasonable and unreasonable demands.

Q115 Bill Esterson: So, in order to achieve that value for money, is it not better to ensure, if you have a limited pot, that you proceed with care? That is a different point from the one I made earlier about expanding the pot. Should you not ensure that every project is completed and that you make the most of it by being thorough?

Mr Laws: Absolutely. Let me correct something that I think David Simmonds said about things that we find when we start a project. We do obviously contract with the contractors to a price to rebuild a school. But if we find more asbestos in it than everybody thought there was when the school was about to be built, we don't leave that cost with the school. We either pay it ourselves and increase the contract price or, if we think the contractor has not done their job by assessing the cost when they took on the project, we negotiate with them to pay those costs. We definitely do not leave that type of cost with individual schools or local authorities.

Q116 Mr Ward: May I bring forward a question that I think would fit here, David? You were talking about anecdotal evidence that they had had a good experience. We have an opportunity to learn formally from PSBP 1 in order to improve PSBP 2. Where is that analysis of the learning taking place, so we can improve as we go through this?

Mr Laws: It will certainly be informed by any reflections from your Committee. It is reflected through the feedback that we get from schools involved in this. I would be happy to send the Committee a note on this if it would be useful for your report.

Chair: We are not doing a report.

Mr Laws: Oh, sorry. There is a whole series of differences between PSBP 1 and PSBP 2, which we have already tested out in some cases. Just one of those is the way that we have ensured that PSBP 2 can pick out individuals parts—individual blocks—and resolve those. PSBP 1 was a sort of take it or leave it thing where sometimes, buildings in really bad condition got overlooked because they were part of an estate that, as a whole, was not too bad. As a consequence, we have reformed PSBP 2 so that it can target individual blocks. We are trying to learn the lessons of PSBP 1 and ensure that all these things get more efficient in the future. We are trying to do that for Basic Need as well, where each allocation is more scientific.

Q117 Chair: The problem with the evaluation is that you say you are very proud of it—if it is delivering as you have suggested, you should be—and yet you have not done an evaluation of the head teachers. Then, we would know whether Andrew or André was the average person, and you would be able to sit there and say that 98% say x, y, z. Have you really not done an evaluation? All this money—billions—and we have not done an evaluation that tells us even what the people in the schools think of it afterwards. It seems extraordinary to me.

Mr Laws: Well, I have just been passed a note.

Chair: I was hoping that some information from behind might come your way.

Mr Laws: It says that we are doing a customer survey. I have not received a note to say precisely when, but I will definitely let you know when. I hope that we will publish all of that.

Q118 Mr Ward: You are now.

Mr Laws: But apparently we are doing it anyway.

Q119 Chair: It is fair to say that only 19 or whatever have actually opened so far, so perhaps it is early days.

Mr Laws: Yes. Just to clarify, on the progress of PSBP 1, we have 19 open, 60 under construction and 82 construction contracts have been signed. The vast majority of these schools we are expecting—in contrast to what David suggested—to be delivered on time. We brought the timing of this forward from 2019 to the end of 2017. There are a very tiny number of schools with specific issues that necessarily are going to cause small delays of an almost unavoidable nature, but that is a tiny, single digit number out of a 260-school programme. There has been an astonishing reduction in cost and pre-procurement time,

which has been reduced by 44 weeks for schools procured under PSBP 1 versus BSF. The typical procurement time itself—procurement rather than pre-procurement—has been reduced by 64 weeks. We are now building these two years faster than the BSF schools.

Chair: Excellent. Thank you.

Q120 Alex Cunningham: Minister, it was an extraordinary statement from David Simmonds to suggest that 50% of the schools are not on target if, as you suggest, they most certainly are. What information do you have to confirm the figures that you have given, which are totally contrary to what he suggested to the Committee an hour ago?

Mr Laws: In fairness to David, he does not have the detailed information that we have in the Department, where we are tracking and monitoring the progress of every single one of these schools. We know, school by school, precisely what the circumstances are. We are very confident that the vast, overwhelming majority of these things are on track. Indeed, as I said, we brought the delivery date forward from the original announcement by two years.

There are a tiny number of schools where there are problems, where, for example, there may be a desire by the local authority to have some major structural reform of its school system, where they actually do not know whether they want the school that we granted them on the same site or whether they are going to do mergers. We have once school up in Runcorn where there is an HSE issue about the school being in a particular zone and, therefore, there are issues about whether we can rebuild the school on the same site. There are a tiny number of projects with individual problems, which are not, I think, the fault of the EFA.

Q121 Alex Cunningham: David is speaking on behalf of the LGA and that is the impression that he has. Maybe a little more transparency about what is actually happening and more information sharing with the LGA would be helpful.

Mr Laws: I would be happy to do that and I would be happy to write to David to correct the evidence that he gave to the Committee today, which I was not very happy with and which is not accurate.

Q122 Chair: Okay. Talking about corrections, at the end of your brief, three-page submission to us it says, “Typically pre-procurement time has been reduced by 44 weeks for schools procured under PSBP compared with BSF timescales and pre-procurement time has been reduced by 64 weeks.”

Mr Laws: Yes.

Q123 Chair: So, “Typically pre-procurement time has been reduced by 44 weeks...and pre-procurement time has been reduced by 64 weeks”. I could not make head or tail of that sentence, unless it was supposed to be that procurement time overall has been

reduced by 64 weeks. It is probably a typographical error, or I am being stupid, but I couldn't understand it.

Mr Laws: We have reduced both the pre-procurement time—the planning and preparation time—and the procurement time itself.

Q124 Chair: But it says “pre-procurement” twice.

Mr Laws: I'm sorry.

Q125 Chair: It says, “Typically pre-procurement time has been reduced by 44 weeks...and pre-procurement time has been reduced by 64 weeks.”

Mr Laws: Chairman, I do apologise. The second of those—the reduction by 64 weeks—should say “procurement time”. That is a mistake in my note. I'm sorry about that.

Chair: Thank you.

Q126 Craig Whittaker: Good morning, Minister. We have heard that St Leonard's in Durham say that the Property Data Survey listed several of their blocks as having lifts, for example. In fact, they have zero. We heard that the PDS made judgments about their roofs, when in fact no inspection of roofs took place. We heard from Durham county council, which raised concerns that the Property Data Survey in their schools did not take place before PSBP 2 applications were made. Does the Property Data Survey provide an accurate picture of the condition of school buildings?

Mr Laws: It provides a very good picture, but it was never designed to be a perfect statement of the condition of every single building in the country. To do that, as one of your earlier witnesses mentioned, we would need to go in and do very invasive surveys that would be far more expensive and far more time-consuming, and even then would probably not tell us everything about individual schools.

What the Property Data Survey was intended to do was give us the first proper snapshot of the condition of the entire estate, to signpost us to some of the schools in the worst condition—particularly so that we could get to those schools more easily than before through the central programmes like PSBP 1 and 2—and to inform an allocation at a local authority or academy chain level that, instead of being based simply on the numbers of pupils, would be based upon the condition need.

It is sensible to use that Property Data Survey where you have a large number of schools and it is capturing the overall condition need of a large number of entities. That is not the same as saying that it is a perfect, detailed survey of every single institution. That is why, for PSBP 2, once we had identified some of the worst schools, we made sure that part of the bidding process was that individual schools could check their Property Data Survey. We sent the surveys out to them and said, “What do you think of this?” Many of them came back to us with corrections. We looked at them again and improved some of the things we got wrong.

We also allowed in the Priority School Building Programme 2, as I think you know, schools and local authorities to come to us and say, “As well as the Property Data Survey, which is non-intrusive, here are a whole series of other problems that our school has got that you might not have picked up in the survey.” We evaluated that before we did the Priority School Building Programme 2 ranking. We did not simply say, “This is a highish-level survey; we’re not going to look at other data.” We looked at both when determining PSBP 2.

Q127 Craig Whittaker: Okay. Let me just challenge you on the Property Data Survey. If we are going to do the visual surveys, which I think is what you said to me last week, can we compare it to the cheap mortgage drive-by valuations that were done with some of the banks and put us in the mess we’re in, or are we talking more detailed visuals than that?

Mr Laws: We are talking more detailed visuals than that. Again, if you want me to send a detailed summary of exactly what all the inspectors have been asked to do, I will definitely do that. As one of your earlier witnesses said, this sits between what you would describe as a sort of drive-by thing, which certainly would not be fit for purpose, where someone just turns up for 10 minutes, looks around and doodles a number down—it is not that type of thing. But it is not going in for days and days and drilling into every wall to see whether there is asbestos there. To do that for 20,000 schools would be incredibly expensive and time-consuming, and it would also run the risk of causing problems for schools if we have people going round drilling into walls on a random basis. So it sits between a very detailed and a very high level.

Q128 Craig Whittaker: You mentioned that schools have been able to challenge that. We have received evidence that states clearly that, when schools have challenged inaccuracies, they have been told that those inaccuracies cannot be changed. What is the process for schools if they disagree with a property data survey?

Mr Laws: We gave a period of time for local authorities and other entities to make appeals after we gave them their property data survey, and we received a reasonable number of representations. A hundred surveys have received a data amendment, and 84 education establishments were resurveyed after we received representations from them. That was before we locked down the allocations in PSBP 2, so I can confirm the exact time period for you, but once we completed most of the property data surveys. Before the allocations were made on the basis of that, we sent out those surveys to make sure that there could be a quality-assurance process and feedback. We then changed the information where we thought we might have got it wrong.

Q129 Craig Whittaker: So you have changed 100 of the surveys. Sorry, did you say that a 100 of the 19,000 schools that were—

Mr Laws: As a result of representations, 100 surveys have received a data amendment, and 84 education establishments were resurveyed.

Q130 Craig Whittaker: So, of the 19,000 schools surveyed, that represents about a half of 1%. Is that right? One in 20?

Mr Laws: It is a very small proportion. I would have to re-check this, but I think that a large number of entities were very happy with the property data surveys. They also understood that we were not trying to capture perfectly, to 100% quality, the survey that you would need if you were going to rebuild a school from top to toe. Our survey would not have those invasive characteristics. We were conducting those surveys so that we could have a central programme, PSBP 2, but also have the means so that we could check the individual things that schools raised with us and apply a formula allocation to the country. Provided that those PDS surveys are accurate and consistent across the country, which they are, it means that we have much fairer allocations to different parts of the country, on the basis of need and not simply on pupil numbers, according to which we allocated in the past.

Q131 Craig Whittaker: So how can you say that can be based on need if you are not considering the structural part of the building? In a lot of these cases, you can put a lick of paint over an old crack, or put some wallpaper over it, but that does not mean that the crack disappears. How can you say that what you have described represents a fair process of allocating on need?

Mr Laws: It is a fair basis, because where we thought that there was a material consideration that was inaccurate about the PDS, we went back and checked it. We then simply had to accept that if we were not going to do invasive surveys for every single school in the country, with all of the attendant cost and complexity, providing that we were allocating the non-PSBP capital through the three-year maintenance allocations to collections of schools and local authorities, or chains, any issues in individual schools that may be of greater need than that represented by the PDS would be able to be dealt with out of those central allocations. The only alternative to that would have been to have had incredibly invasive and very expensive surveys of 20,000 institutions.

Q132 Neil Carmichael: Following on from Craig's theme, and in parallel to our discussion in the Chamber last week about school funding, what can the Department do to improve the confidence in the allocation formula, given that it does not seem to be as transparent as some would like?

Mr Laws: For maintenance funding?

Neil Carmichael: Yes.

Mr Laws: I think that the new allocation methodologies that we have both for basic need and for maintenance are leagues ahead of past measures in terms of transparency and quality. Frankly, in the past, previous Governments allocated for basic need and maintenance on an entirely unscientific way. In the case of basic need, they did not take into account the number of surplus places, even when allocations were made. Prior to 2010, no account was taken of whether parts of the country had higher needs than others when maintenance

allocations were made; it was just done on the basis of number schools and pupils. That was a really crude way of allocating, and we are now very transparent about our methods when allocating for basic need and for maintenance.

We are allocating for longer periods than before in a more scientific way, but we are going on learning. Even in the basic need allocations that we made a couple of months ago, we amended them to reflect some the concerns that had been raised by local authorities for the last round. We are moving from a totally unsatisfactory means of capital allocation, which was not fit for purpose, used in the last Parliament to a really excellent and transparent way of allocating, but we will go on trying to improve it.

Q133 Neil Carmichael: Are you worrying about the level and quality of information from local authorities in terms of such allocations?

Mr Laws: Yes. There is a problem that in the past, we used to allocate to local authorities both for basic need and for maintenance, and because Governments thought that it was a good thing that there was local discretion, we basically sent the money off without really finding out what was happening to it, so there was not a discipline for local authorities to be efficient. There wasn't transparency to know whether they were funding new places or doing maintenance more efficiently than in other parts of the country.

Now we are publishing reports both for basic need and for maintenance. We will publish local authority-by-local authority reports annually, showing how much money they have for their needs in both areas, how much they are spending, and how much they are procuring, for example, per school place compared with other parts of the country, and we welcome that transparency.

We do not agree, for example, with David Simmonds when he said earlier that his local authority is capable of building more effectively and cheaply than the Department. I am very happy, if he wants to, for us to agree to commission an independent assessor who will look at how efficiently our Department is building PSBP 1 and 2 schools versus his local authority, because I am very confident that it would show that we are doing this in a highly efficient way. We want local authorities to be transparent, but we are very happy to be transparent about our own activities.

Q134 Neil Carmichael: It has been suggested that allocations disproportionately benefit academies and schools in Government-held constituencies. Is that remotely possible?

Mr Laws: I do not believe that that is the case. All these things have been assessed on the basis of need. If it was the case that in the past, in particular parts of the country, the maintenance of schools had not been as good as in other parts, or if previous Governments had not fairly funded some parts of the country, so that there were higher maintenance backlogs, that could obviously drive an allocation where those areas would now be catching up. But the allocation methods that we use for basic need and maintenance and PSBP 1, and, for that matter, universal free school meals for infants, are totally needs-based. There are no political elements in them whatsoever. We take the advice of officials on the basis of the need and there is no political fixing of them whatsoever.

Q135 Chair: So in fact, seeming to do so is simply rectifying previous decision making, which may or may not itself have had political favour.

Mr Laws: Yes; if it does turn out that some parts of the country are receiving allocations per head that are higher than they have previously been, that would be correcting previous problems, not because of some bias in our current system.

Q136 Craig Whittaker: I just want to ask you one further thing. Going back to the programme coming in two years ahead of the initial schedule, I know that you mentioned that very few of the schools had huge issues, which allowed that to happen, but what is the main reason for it coming in two years under the projected finish?

Mr Laws: Why are we doing this two years faster?

Craig Whittaker: Yes.

Mr Laws: I think for two reasons. The performance of our officials in the Education Funding Agency in shrinking these times pre-procurement and after procurement has been very impressive, so we have discovered that the three-year periods for building that were occurring under BSF were extravagant, wasteful and unnecessary. Our colleagues in the EFA have done a far better job, and also, to be frank, we made sure that we brought forward those projects that looked as though they were going to back-ended, because understandably, if you have schools that are in a very bad condition, where the maintenance needs are very high, people do not want to spend money propping up buildings that are not fit for purpose. We therefore have to do them as quickly as possible, and we got pressure from MPs and others, who were saying, “You have acknowledged that my school is in a bad situation, but it may not be rebuilt till 2019—that is not good enough.” So we responded by making a big effort to bring the programme forward.

Q137 Craig Whittaker: Are definitely going to hit the target?

Mr Laws: Yes. As I said earlier, we have a tiny number of schools in PSBP 1—probably a number I could count on one hand—where, because of problems that are outside our control, there could be a delay that moves them beyond the end-of-2017 target date. As far as I can see, those problems are not due to our failure, but are necessary issues that have arisen on the ground. But the vast majority of this programme is going to time.

Q138 Mr Ward: We have spoken quite a lot this morning about the comparative costs of BSF and PSBP schools. Can I get a few comments from you on the issue that has been raised of additional costs? First, on abnormal costs—for example, you are digging away and you come across something underground that you didn’t know was there—the Royal Institute of British Architects suggested that those costs are not built into the original costings, and are recovered, in effect, through work on the building itself. Is there any evidence of that?

Mr Laws: If I understand the question, it is, if we procure the contractor and say, “We are going to give you £10 million”—or whatever it is—“to rebuild this school”, what happens if we hit something unexpected? We certainly don’t expect the local authority or the LA to pay. The issue is whether it is totally unexpected and couldn’t have been known—in which case, we would consider using money from a central contingency to fund it—or whether it is something that we would have expected the contractor, since they actually quoted for the job, to be able to accommodate themselves. Because it is public money, we are not simply going to write cheques to anybody who says that something slightly awkward has come up during a programme. We try to make sure it is funded either by the contractor or the EFA, as appropriate. They are not things that we expect the school to bear the burden of.

Q139 Mr Ward: On the issue of additional costs, as opposed to abnormal costs, which are to do with the facilities that are provided, we heard from Stratford SA that the additional costs were £600,000, which was not for luxuries, but for perimeter fencing for the students’ security and sports facilities to deliver the curriculum. They were additional costs that could not be afforded through the PSBP programme.

Mr Laws: As I mentioned, we are definitely not simply rebuilding buildings and not taking wider responsibilities where we should do so. Some 12% of the budget is for outside the school structure itself. We have to be careful about getting good value for money for the taxpayer. For example, my understanding about the Stratford school—I am happy to be corrected if I am wrong about this—is that they did have a boundary fence. The question was about whether they wanted something enhanced.

Our judgment on these things is that this is primarily a building condition need programme. It is not about furniture, IT or improving sports facilities. Obviously, if you are a school that is being completely or largely rebuilt, you want to get as much value for money out of it as possible, but we also want to get as much value for money as possible. We don’t want to fund things that we think should be funded by the local authority or the school. There are other revenue streams to do some of those things, including devolved formula capital and local authority budgets. I can understand why school want those things, but it isn’t always sensible for us to take on some of those funding commitments.

Q140 Alex Cunningham: Minister, you referred earlier to announcements that are going to be made before the end of the Parliament. In an hour’s time, we will have the Budget. Are we expecting an announcement that there will be an enhancement for school capital?

Mr Laws: I hope you are not expecting me to leak contents of the Budget. I don’t think it would be a good idea for me to do that on Budget day—particularly live on television.

Q141 Alex Cunningham: In that case, what are the Government going to do to support schools that were due to receive funding under Building Schools for the Future, but have not been successful to date under PSBP?

Mr Laws: In spite of our criticisms of BSF, I do, of course, feel very sorry for many of the schools that hoped that they were going to get a rebuild and then didn't because we were prioritising on the basis of need. Some of those schools have been able to bid into priority school building 1 and 2. They have shown that they are schools that deserve to be rebuilt, and we are doing that.

I should point out that we are still devolving huge amounts of capital through the programmes that schools can bid into directly, such as the condition improvement fund, which we are going to allocate some more of before the end of this Parliament, and the LA maintenance allocations. We have just devolved £4.2 billion over three years to local authorities to improve the condition of their school estates.

If I was a school that wanted to be redone in BSF or Priority School Building Programme 2 or 1, particularly if it had the support of the LA, I would now be going to the local authority and saying, "You've got this allocation from the Government for three whole years. You clearly think that we're a school that has a need, because you put us in for PSBP 1 or 2. Now let's talk about how we're going to use some of that money to improve our school."

Q142 Alex Cunningham: Okay. I'm glad you raised that particular project. There are many local authority programmes for routine maintenance. I think you call it the school condition allocation. But bearing it in mind that local authorities might have 30, 40, 50 or more schools requiring support, how can they really be expected to use those budgets to concentrate on a very few schools that haven't been successful under your programme?

Mr Laws: I think you're making the case, which I made earlier, for going on having in the future central programmes of this type, because where there are very high costs that have to be undertaken for schools—where a school is sort of falling down and really needs rebuilding—those huge costs falling on individual local authorities could be extremely difficult, because their formulaic allocation would not have those huge and lumpy allocations for individual schools. That is why I think a central programme makes sense, but it will necessarily be the case that the schools that haven't got into the Priority School Building Programmes will be the ones with a lower assessed level of need, and it should be far more possible for the local authority to use their own capital resources to invest in those schools. I appreciate that the schools may not get all that they want, because the local authority does have to spread those resources across a number of schools, but if they do have high need, the local authority should be spending a lot of that money on them.

Q143 Alex Cunningham: Children from my constituency travel to Eggescliffe school in the neighbouring constituency. That school has been refused rebuild funding despite being in the BSF programme and despite being extremely popular and in extreme need of replacement. You suggested in a letter to the borough council that they ought to prioritise funding from their £1.6 million maintenance budget, which is supposed to cover routine work for 40-odd schools. Is that the kind of advice that you're giving local authorities—that they should prioritise one major project over all the other schools together when schools across the piece require help?

Mr Laws: I am certainly not trying to second-guess local authorities on every single decision they have to take in allocating that money, because they will have more accurate information about all their schools than I will. Some local authorities could have schools of the type that you describe, but have a number of other schools with serious needs, so they would have to spread their money over a number of them. There may be local authorities that have a very small number of schools and only one school really stands out. Now that we are giving local authorities three years of maintenance allocations, they have more money to plan with and they might be in a position whereby they could put quite a lot of their own money into those schools that have missed the Priority School Building Programmes.

Q144 Alex Cunningham: So the local authority should be driving what the programme should be and not direction from yourself like there is in this letter that you wrote to the borough council, in which you were suggesting that they needed to prioritise work at Eggescliffe school.

Mr Laws: Well, I certainly think that if they themselves wrote to us and said, “This is one of our priority schools,” which was usually what had to happen as part of the Priority School Building Programme application round, if they put forward those schools and said, “These are some of our needier schools,” it would be right for me to go back to them and say, “You didn’t meet the cut-off for this programme, but you now have three years of maintenance money. Presumably you will want to make this school one of your priorities for that.” But I’m not going to tell the local authority precisely how to break up that three-year allocation budget, because you’re right: I don’t know the position of all their other schools. Only they will be able to make that sensible judgment.

Q145 Alex Cunningham: Okay. You also wrote about the £1.6 billion basic need funding for local authorities to create new school places. Will that money go only to create new school places, or can we expect needy schools such as Eggescliffe to receive funding from that pot or maybe an early allocation from a future round of PSBP?

Mr Laws: A school that is growing could obviously receive money from the basic need budget as well as maintenance, and although we want to hold local authorities to account for how that money is spent, ultimately the capital budgets that are devolved to local authorities are not ring-fenced, so if a local authority felt that they could use their money sensibly by shifting between these different pots, they could do that. But we have allocated basic need money on the basis that we think that they will need to create new school places, so clearly they would need to be careful about shifting between pots, to make sure they were delivering both improved school condition and the right number of places.

Q146 Alex Cunningham: Finally from me, children have been denied places at their school of choice because other parents have declined to send their children to unproven new free schools, opting for an established school instead. There are examples across the country of that. There is one particularly relating to the school I have already mentioned in Stockton. What are you doing to ensure that this does not happen in areas like Stockton and elsewhere in the country, and that new capacity created by free schools is used by people in the closest

communities so that this capital allocation is not wasted? It is no good having an empty free school if kids at the other end of the borough cannot get in.

Mr Laws: We are doing three things. First, we don't take free schools into account in the basic need allocations until they are open, so we deal with the risk that they won't open by making sure that we don't deduct capital for that purpose.

Alex Cunningham: This one is open.

Mr Laws: Secondly, we are making sure that local authorities can have smaller planning areas so that we don't penalise them for spare places in an area that is too far to travel to. Thirdly—I think we did this for the first time in the allocation last year—we are building in a surplus assumption for school places instead of trying to fund just capacity. We believe that local authorities ought to have not just one school place for each child but a reasonable surplus to enable risk to be managed and for there to be some exercise of parental choice.

Q147 Chair: How much is that?

Mr Laws: I believe that the surplus we are currently funding is 5%, but I will be corrected by officials if I am wrong.

Q148 Chair: Previously, you had just been aiming at 100% and now you are looking at 105%. Is that right?

Mr Laws: At one period of time we were aiming at 100% by just funding the places that were needed. Of course, prior to the last election, previous Governments did not even take into account the proportion of surplus places when they allocated money. They simply allocated more money on the basis of extra pupils, regardless of whether half the existing places were free. It was not a good system that we inherited, and we have a far better system now.

Q149 Chair: What message would you send to those schools that applied for PSBP 1 and 2 but failed? What confidence can they have that they will be funded in future?

Mr Laws: If they are academies, I would urge them to apply to the new condition improvement fund. Obviously, through that we fund some quite large bids. We are going through the bids and approving them at the moment. Although some of them are for £40,000 or £50,000, there will be some multimillion pound bids. If they are academies, they can bid for that and potentially get a large amount of money. If they are LA-maintained schools, they should know that we have now made this three-year allocation of maintenance, perhaps for the first time ever, so local authorities now have a lot of money for this, which is allocated on the basis of need in their area. Schools should be going to the local authority, particularly if the local authority put them forward for one of the Priority School Building Programmes, and saying, "We are disappointed that we didn't get into it, but we know you have some money

allocated for condition need. You obviously accept that we have condition need, so can we now sit down and talk about how some of that money can come our way?"

Q150 Chair: Thank you. Having written to ask you to change it to a three-year view, I am delighted that you have done so. Beverley St Nicholas primary school will be moved from two sites to one as a result, and I am pleased about that. What assumptions have the Government made about the long-term maintenance costs of PSBP schools compared with BSF schools?

Mr Laws: PSBP?

Chair: Versus BSF. We heard from the first panel that there are differences in approach. What assessment has been made of the future maintenance costs?

Mr Laws: I am not aware of any assessment that is any different for the two programmes, but I will write to you if I have that wrong.

Q151 Chair: The LGA reckoned that in 2010 there was a £15 billion capital requirement for school building need. Do you think that was a reasonable estimate?

Mr Laws: I think it is very difficult to say. Mr Whittaker raised this earlier, and in this particular programme we obviously haven't been able to go in and carry out very intrusive, invasive surveys of every single school in the school estate. You would need to do that to come up with a very reliable number. There isn't a departmental figure for this.

Q152 Chair: You said that you do not want to do invasive stuff on individual schools because it will all average out across groups, which makes sense, but I cannot imagine spending £10 million-plus on a school condition survey and at the end, when they come back to present it to me, saying, "There is no total." That sounds absurd. That is the whole basis of it. If I ask for someone to do a condition survey across those things, they will come back and tell me, "Right, it's 55,000 quid"—or in this case x billion pounds. Surely you must have got that number. You may not want to share it with us, but it must exist.

Mr Laws: The problem is that what we have not got is a figure that actually reflects the real maintenance needs and rebuild costs of every single school, because to do that we would have to do a very invasive survey of the type that I have explained we have not been able to do.

Q153 Chair: I have just explained I do not think that is true, because if you are going across enough schools—and we are talking about the whole of the English school estate—you do not need to do that. You do not need to do an invasive one, on every single one. Otherwise you would be doing that now, because you could not make any kind of sensible and rational allocations; and you have said that you are much better informed than ever before. So you must have that.

Mr Laws: We are much better informed than ever before, but we do not have a single figure that would reflect what it would cost for us to essentially rebuild to a perfect standard the whole school estate.

Q154 Chair: That is not what I said. You do a survey. Then, if you were a property company or a retailer, you would get that and you would turn that into numbers, so that you could say, “Right; across all my British Home Stores stores I have £1 billion that needs to be spent and it is phased like this.” Then you would turn it into numbers. That is the whole point of doing it.

Mr Laws: But we know that because we have not been able to do the invasive stuff we don’t have those detailed numbers, and it would be very risky for us to suddenly produce an estimate that did not include all of that other work. It might not be very good in trying to make an accurate and informed bid to the Treasury about the future capital needs of the school estate.

Q155 Chair: I do not want to do this to death, because you have always been a remarkably frank and well informed Minister before this Committee. I cannot remember a previous occasion on which I have thought, “I don’t quite believe this,” and it may be a failure of understanding on my part, but I am sitting here thinking, “I don’t quite believe this.”

Mr Laws: Well, I think you should believe it, Chair, because not only am I saying it but it is the case that we have not carried out the detailed work at every single school to say precisely how—

Chair: You don’t have to.

Mr Laws: And we have surveyed the costs at this higher level that I have mentioned.

Q156 Chair: So what does that add up to—the higher level costs that you have added up to? There must be a number. The LGA went for £15 billion and we accept it. They haven’t done an invasive thing—but you come up with an estimate. Otherwise, how can you have a chat with the Treasury? “Hi George; schools are important. We have done a survey,” and he says, “Well, how much is the backlog, then?” Do you go, “I don’t know, because we haven’t done an invasive survey yet?” “You must have a number, otherwise you couldn’t ask me for any money.” And you say, “Oh no, I haven’t been into all the schools.” It is not a conversation I can even imagine.

Mr Laws: I do not have that figure now, because what we have tried to use this for, which has been our focus, is what are we actually going to do with this data; and what we are going to do with this data is identify the schools in the worst condition, to try to actually get those rebuilt, and make sure that we have formulaic allocations, which spread the money that the Treasury has already given us in a fair and reasonable way across the country.

If I went to the Chancellor and said, “Oh, by the way, here is some of the data from the Property Data Survey, but it doesn’t actually include all the full building costs,” there is a risk that he might say, “Great, I’ll give you that money, and don’t worry about all the intrusive surveys that might reveal other problems.” So it might well lead to an underestimate of the works that we would need to do to the school estate.

Q157 Craig Whittaker: Just finally from me, the local authorities up to 2005 used to provide to central Government what they call a statement of priorities. A lot of local authorities still use that statement of priorities as a working document to allocate maintenance and priority works. Why do we not just ask the local authorities for what is out there? Rather than doing a drive-by—okay, my words not yours—visual survey, why don’t we use the information that is out in the local authorities?

Mr Laws: We might do something like that in the future. Our problem—and we discovered this as we were doing the Property Data Survey, because we were originally, as I think you probably know, intending to use some surveys that had been done on schools by individual local authorities—was when we quality-assured the surveys coming in from local authorities against our own centrally-commissioned standardised surveys, on which we had taken considerable advice on what we should be doing, there was not a consistency.

The figures varied by different amounts by different authorities, so we had to—particularly as we were going to use this to allocate money across the whole country—use a consistent survey. In the future, it is possible, as you say, that we could agree a consistent methodology—whether it would be the different types of methodology that we have been debating today. We could then insist that local authorities did that work themselves and reported it back to us, but we would have to make sure we had a quality-assurance mechanism.

Q158 Craig Whittaker: But they already do it. That is how they allocate the money that you give them for maintenance. That is how they allocate the money out.

Mr Laws: They don’t do it, in our view, in a way that is sufficiently consistent across local authorities and reliable that we would have wanted to use it for our capital allocation.

Q159 Craig Whittaker: But it is as consistent as your drive-by surveys.

Mr Laws: I don’t think “drive-by surveys” was a term that I was willing to sign up to, Mr Whittaker.

Chair: Thank you very much for giving evidence to us today and for all the other evidence you have given to us over time. We look forward to hearing from you on the other issues which you have touched upon.

Mr Laws: And may I thank you on behalf of the Department for the work that you and your colleagues have done over the years in scrutinising our work as a Department.

Chair: Thank you.