

PPP DATA SHEET

FALKIRK SCHOOLS PROJECT FALKIRK COUNCIL



Background

In September 1996 Falkirk Council set out to investigate the potential of a public private partnership to help address the structural and accommodation problems affecting a number of its secondary schools and one special school.

A dedicated team was established in October 1996 to take the project forward, submitting an outline business case (OBC) to elected members and The Scottish Office in December 1996.

Following advertisement in the Official Journal of the European Community (OJEC) in April 1997, 3 consortia were invited to tender by October of that year. The consortium, Class 98 Ltd (comprising Ballast, Charterhouse and Quayle Munro) was chosen as preferred bidder in the December.

At contract signature, Falkirk Schools project was the largest education PFI project launched in the UK and is considered a pathfinder for other similar projects. It also represents the first example in PFI of bundling schemes together and so set a precedent for the future of education-related PFI schemes.

Features and Benefits

The scheme reached financial close in August 1998 and includes the following:-

- ◆ The construction of five new schools in the Falkirk area :-
 - ◆ Bo'ness Academy;
 - ◆ Graeme High School;

- ◆ Larbert High School;
- ◆ Woodlands High School (Braes), and
- ◆ Dawson Park (Special School)

- providing modern educational facilities for some 5000 pupils

- ◆ The provision of non-educational services in all five schools.
- ◆ A boost to the local economy; with the four construction contracts and the associated local employment opportunities providing a positive economic spin-off for the Falkirk area.
- ◆ The first scheme the EIB has supported in the education sector in the UK under the bank's new Amsterdam Special Action Programme which centres on education and health schemes.

There is an article by David Spiller of Ballast on the Falkirk Schools Project in Edition 9 of the PFI Newsletter

Facts

Sponsor:- Falkirk Council
Contact:- Rhona Geisler (Tel: 01324 506007)
Consortium:- Class 98 Ltd (comprising Ballast, Charterhouse and Quayle Munro)
Capital Value:- £65m **Contract Length:-** 25 years
Equity Funding:- Class 98 Ltd
Debt Financing:- Bank of Scotland and European Investment Bank
Advisers to the Trust:-
Financial:- Coopers & Lybrand
Legal:- MacRoberts Solicitors
Technical:- Faithful & Gould/WS Atkins
Scottish Executive Contact:- Graeme Stuart (Tel: 0131 244 0944)
Status:- Operational

