**Highland Council Redesign Board Workshop 14 November 2017**

**Flexible Use Hours in PPP2 Schools**

Redesign Board requested an examination of the issues and impacts on users associated with reducing PPP2 FUH (and thereby realising a budget saving).

**1 Introduction**

* Core hours in PPP2 schools are 0800-1800 Mon-Fri during term time.
* Any use (inc. HLH, school and community use) outwith core hours is scored against an annual allocation of Flexible Use Hours (FUH). This FUH allocation applies to the entire PPP2 contract (11 schools). FUH are referred to as “unique hours” which quantify the time a school is open outwith core hours. If a school opens for 2hrs for a single let, 2 FUH are deducted. If a school opens for 2hrs and three lets take place during those 2hrs, 2 FUH are still recorded.
* The Project Agreement included provision for 12,000 FUH. Any FUH used above 12,000 FUH attracted an indexed service charge per FUH (currently £40.40). In 2013, in response to increased demand, the Council negotiated an increase from the original 12,000 FUH to 15,000 FUH per year in return for a flat rate payment. This delivered a saving of approximately £27K compared with the hourly service charge. The current charge for the additional 3,000 FUH is £90,896.
* Since 2013, due to a combination of reduced demand and more efficient use of FUH, annual FUH use has decreased to approximately 13,500 FUH and has remained at that level for the past 3 years.

**2 Key Issues and Impacts**

* Different management arrangements in schools (See Appendix) limit the ability of the Council to determine where and when FUH are utilised.
* Information on use is only available after the fact, although the Lets Review proposes a booking system which will deliver better coordination of lets.
* A large proportion of PPP2 FUH relate to essential activity including:
  + school staff holiday access,
  + operation of leisure centres and libraries outwith core times,
  + school events held at weekends and in the evening.
* Future increases in early years provision are likely to have an impact on FUH, but the extent of that impact cannot be determined at present.
* Millburn, Dingwall and Portree more or less operate at capacity (7 days per week). These centres are busy, reflecting their importance in their respective communities, so any reduction in operating hours would impact on users.
* Cawdor, Resolis, Culbokie, and Kinlochleven experience lower demand reflecting their rural locations. Any reduction in provision would have an impact on users due to limited alternative facilities. Furthermore given the limited use, the impact of any reduction on total FUH would be limited.
* Drummond offers limited scope for reductions as most FUH relate to staff access and the Special Needs Action Project (SNAP).
* Inshes and Inverness Gaelic PS (BSGI), offer most scope for reducing FUH. Up to approx. 1,000 FUH could be saved by not opening these schools outwith core hours, however the impact on users would be significant.
* Reduced FUH use has been raised with the PPP2 Contractor, who has indicated a willingness to review the annual allocation, although detailed discussions are required to be undertaken.

**3 Conclusions**

* The service needs to strike a balance between delivering potential savings and providing community access to schools.
* Maintaining 13,500 FUH would limit the impact on community users.
* 13,500 FUH requires only half of the additional 3,000 FUH. Subject to renegotiation, this could yield a saving of an estimated £30-45k (at 2017/18 prices), however this would require detailed negotiations with the PPP2 Contractor and an analysis of proposed terms and any knock-on effects.
* If negotiations fail to yield an acceptable deal, the Council could seek to negotiate a return to 12,000 FUH and pay the additional service charges for excess hours. If FUH were limited to13,500 this would yield a saving of approx. £25-30K based on current service charges at 17/18 prices.

**Appendix 1: 16/17 FUH in PPP2 schools**

|  |  |  |
| --- | --- | --- |
| **School** | **Lets managed by** | **FUH** |
| Portree High School | HLH | 2447 |
| Millburn Academy | HC | 2175 |
| Dingwall Academy | HLH | 2001 |
| Drummond | HC | 1414 |
| Kinlochleven High School | HLH | 1278 |
| Cawdor Primary School | Community Trust | 1190 |
| Inshes Primary School | HC/ HLH (Library) | 1174 |
| Gaelic Primary School | HC | 862 |
| Culbokie Primary School | HC | 512 |
| Kinlochleven Primary School | HC | 270 |
| Resolis Primary School | HC | 216 |
| The Pines (Drummond) | HC | 0 |
| **Total** |  | **13539** |

NB The Pines is an office building on the Drummond School campus which accommodates HC and NHS staff. All FUH associated with The Pines are recorded under Drummond.