

**THE HIGHLAND COUNCIL**  
**EDUCATION, CULTURE AND SPORT SERVICE COMMITTEE**  
**21 May 2009**

Agenda Item	
Report No	

**Development of the ECS Estate Strategy**  
**Report by Director of Education, Culture and Sport Service**

**Summary**

This report outlines a proposal for taking forward the future development of the ECS Estate on an integrated basis taking into account both educational and community requirements and providing a rationale for investment in the medium to long term.

**1. Background**

- 1.1 The national strategy for School Estates was published jointly in 2003 by the then Scottish Executive and COSLA. In March 2008 Audit Scotland released a report entitled "Improving the School Estate" which examined progress made since the publication of the 2003 strategy and its recommendations. At that time COSLA agreed with the Scottish Government that the best way to respond to the Audit Scotland report was to jointly develop a new strategy for the school estate.
- 1.2 The new national strategy is due to be published shortly. Most stakeholders are in broad agreement that the strategy should:
  - Set out how school buildings can be assets for the whole community
  - Illustrate how school buildings can help deliver the curriculum for excellence
  - Highlight the importance of environmental sustainability
- 1.3 There is however uncertainty in relation to the financial strategy that will underpin the school estate strategy. As a result whilst the national strategy would provide the overall framework the actual timescales for implementation will be determined by individual local authorities. It has to be assumed therefore that the timescales for implementing change within Highland are beyond the life of the current approved Capital programme in 2011/12.
- 1.4 Another factor at a national level which needs to be high-lighted at this stage is the ultimate content of the Schools Consultation Bill which is due to be enacted during 2010. Notwithstanding the final content of this Bill it is clear that local authorities will have to adhere to strict legislative criteria and consultative mechanisms when contemplating any changes to the school estate. Such procedures are already well-established within Highland.
- 1.5 The Highland Council will also need to align the principles of the national Estate Strategy and its outcomes with its own duties and responsibilities in relation to:
  - Achieving best value in use of resources
  - Delivering sufficient education accommodation and provision efficiently

- Ensuring wide engagement with communities in planning and developing schools
- Ensuring inclusion, accessibility and equality of opportunity for individuals and groups within those communities.

## 2. Introduction

- 2.1 In recent years there has been significant progress with the development of the school estate within Highland. This is evidenced by the construction of new schools, an extensive refurbishment programme and a significant increase in the Capital resources allocated by The Highland Council.
- 2.2 It is proposed that the process of planning investment should commence with analysis of options in communities where for historical reasons there appears now to be an over provision of school places linked to concerns over quality of buildings.

The proposed communities to be included in this exercise are set out below:

- Wick
- Thurso
- Golspie
- Tain
- Invergordon
- Alness

In parallel to the above strategic initiatives there also remains the challenge of improving the condition and suitability of the remaining ECS estate.

- 2.3 The medium to long term ECS Estate Strategy should seek to deliver the optimum educational and community solutions for each of the communities named above. In order to identify the optimum educational and community facilities model a number of factors will need to be taken into account, namely
- Meeting future educational and community needs including potential co-location of other community services
  - Demographic trends
  - Existing building utilisation
  - Condition and suitability of existing buildings
  - Sustainable design

**Annex 1** outlines the current condition, suitability and capacity statistics for the Primary and Secondary sectors.

- 2.4 The ECS Estate Strategy will be under-pinned by a number of key objectives:
- Delivering the corporate priorities identified within the Administration's "Strengthening the Highlands" programme.
  - Modernising the Service estate to provide the appropriate learning environment in which to deliver the requirements of a curriculum for excellence.
  - Delivering the ECS Service priorities on the basis of a detailed option appraisal exercise for each of the above communities.

- Delivering sound asset management principles informed by the factors outlined in paragraph 2.3 above.
- Consultation with the local communities.

### 3. The Proposal

3.1 **Future provision - Option appraisals** – In order to establish an objective and consistent approach to the future development of educational provision and community facilities in the communities listed in paragraph 2:2 above it is proposed to create a transferable option appraisal template. In order to establish this template it is envisaged that some form of partnership approach with an external agency is procured. The rationale for such an approach is threefold:-

- There is not the existing capacity within the Council to create this relatively complex template
- The use of external expertise will enable the Service to create a template that could be utilised when undertaking similar exercises in future. Thereafter a procurement framework could be established with an external partner that would provide a lower level of support for the appropriate officers within the Council progressing future option appraisals, and that would take full account of all legislative requirements flowing from the Safe Guarding Rural Schools Bill.
- This transferable template will ensure that an objective, consistent and transparent approach is adopted when considering future educational and community provision.

3.2 The ECS Committee on the 15<sup>th</sup> January 2009 approved the appointment of external partners to progress an options appraisal for the future Pre School and Primary provision within the Greater Fort William area. An external partner has been appointed and it is proposed that the experience and knowledge gained by Council officials during this process forms the basis of similar reviews in other towns. In addition to the knowledge gained in relation to the methodology the communication and consultative strategies adopted for the Greater Fort William review will provide a robust and sustainable platform for future option appraisals.

3.3 The option appraisal process involves information gathering including, current building conditions, school roll forecasts, existing and future school capacity projections, educational and community benefits and resource implications. The information gathered during this phase will be used to inform future plans and no decisions will be taken during this phase of the project. Thereafter members will consider the various options produced and will determine which options will be taken forward for inclusion within the statutory consultation process. During this phase there will be further full consultation with the respective communities and all other relevant stake-holders.

3.4 It is proposed that the option appraisals for the remaining towns named in paragraph 2:2 are progressed during late 2009 and into 2010 The experience gained from the Greater Fort William options appraisal will be adopted for use during the above projects. In addition it is recognised that the option appraisals in Caithness should take into account the projects currently being progressed by the Nuclear Decommissioning Authority.

- 3.5 **Construction procurement** – If following the options appraisal and any subsequent statutory consultation elected members agree an investment programme for each community there will be an opportunity to introduce innovative construction procurement solutions that move away from the traditional commissioning of individual school building projects. It is proposed therefore that the appropriate construction procurement options are examined in collaboration with the Director of Housing and Property and that these options are considered by elected members at a future ECS Committee.
- 3.6 **Community aspects** – In accordance with the priorities identified within the Administration’s “Strengthening the Highlands” programme the opportunity will be taken to ensure that the future ECS Estate Strategy delivers maximum community benefit. As a result these opportunities will be examined within the options appraisal exercise referred to above in order to create integrated learning communities within facilities that are fit for purpose, sustainable and energy efficient, and taking account of community and service delivery needs.
- 3.7 **Consultation with all stake-holders** – it is essential that there is extensive engagement with the relevant communities before and during the option appraisal stage and therefore during any statutory consultations that may be required thereafter. This should include local elected members, Parent Councils, Head Teachers and the Pre School sector. In addition

#### **4. ECS Capital**

- 4.1 As indicated above options for future educational and community provision in each of the named centres of population will be presented to future ECS Committees. This will include the funding proposals for each project. At that time consideration will be given to the time-scales for integrating the projects within the ECS Capital programme.
- 4.2 As part of the funding package, consideration will be given to the use of potential Capital receipts identified.

#### **5. Potential Risks**

- 5.1 At this stage it is prudent to identify the potential risks associated with delivering an ambitious Estate Strategy that will deliver improved educational and community facilities on an on-going basis. These risks can be summarised as follows:
- Affordability
  - Deliverability
  - Community buy-in
- 5.2 Any future programme would possibly be funded by Capital Prudential borrowing. The outcome of the option appraisal exercise will identify the extent of the deliverable Revenue savings in each community. It is proposed that the net present value of these savings over a suitable period should be set against the annual borrowing costs in order to minimise any additional costs to the Council.
- 5.3 In order to deliver an ambitious Estate Strategy it is essential that there is adequate human resource to undertake the client and project management roles. Previous experience has indicated that successful projects are adequately resourced from the outset, it is therefore essential that this is recognised at the outset and that the

Directors of ECS, Finance and Housing and Property Services collaborate to create the appropriate capacity. As indicated in paragraph 3:1 above it is proposed that that some from of external support is available for future option appraisal exercises in order to support the in-house team.

- 5.4 A potentially time-consuming aspect of delivering improved educational and community facilities is the engagement with the local communities. It is essential therefore that significant management effort is devoted to articulating the vision and to ensure that communities are involved throughout any period of change.

## **6. Recommendations**

6.1 Members are asked to approve the following recommendations:

- The next phase of the ECS Estate Strategy will focus on reporting options for co-located educational and community facilities within the larger centres of population with the initial focus on the Greater Fort William area, followed by Wick, Thurso, Golspie, Tain, Invergordon and Alness.
- That the decision-making process is informed by the creation of a transferable options appraisal template that will be produced in partnership with external partners during the Greater Fort William project.
- The options appraisal timetable outlined in paragraph 3.4.
- The creation of a procurement framework that will identify an external partner to provide “light touch” support for the future option appraisals identified in paragraph 3.4.
- That a further report be brought to this Committee to seek approval for the template and methodologies created during the Greater Fort William review to be adopted for future option appraisals taking into account future legislative requirements deriving from the current Schools Consultation Bill.
- That the timescale for investment will be determined by the availability of the funding required.

Signature:



Designation: Director of Education, Culture and Sport

Date: 17 March 2009

Author: Ron Mackenzie

Ref: RM/LB

Background Papers:

**Condition, Suitability and Capacity**

**Annex 1**

**Primary  
(number of  
schools)**

**Secondary  
(number of  
schools)**

<b>Condition</b>				
A		10		6
B		52		14
C		116		8
D		5		1
<b>Total</b>		<b>183</b>		<b>29</b>

<b>Suitability</b>				
A		25		8
B		81		7
C		60		11
D		17		3
<b>Total</b>		<b>183</b>		<b>29</b>

<b>Capacity</b>				
Greater than 120%		0		1
110% < 120%		0		1
100% < 109%		5		1
90% < 99%		8		4
80% < 89%		18		9
70% < 79%		30		5
60% < 69%		45		4
50% < 59%		30		3
Less than 50%		47		1
<b>Total</b>		<b>183</b>		<b>29</b>