

September 2007

South Lanarkshire Council

Secondary Schools Modernisation – Review of  
certain factors relating to Strathaven Academy

# Contents

Section	Page
Executive Summary .....	1
1. Introduction and Background .....	11
2. Schools Modernisation Programme .....	13
3. Consultation in relation to the overall Schools Modernisation Programme .....	15
4. Strathaven Academy Amended to a New Build Project .....	17
5. Alternative Potential Sites for Strathaven Academy .....	20
6. Accommodation for pupils during the new build and demolition stage .....	24
7. Transporting Pupils to Crosshouse Campus, East Kilbride .....	26
8. Leisure and economic impacts .....	29
9. Engagement exercises undertaken by the Council .....	31
10. Chief Executive's Report dated 2 July 2007 .....	33
Appendix A: Examples of documentation reviewed .....	35

# Executive Summary

## Background Information (Section 1)

In May 2006, the Executive Committee approved the building of seventeen new secondary schools and the refurbishment of two secondary schools as part of South Lanarkshire Council's secondary schools Public Private Partnership (PPP) Contract. In the initial outline business case Strathaven Academy was included as a refurbishment. This was subsequently changed to the building of a new Strathaven Academy on the existing school site.

Building of the new school commenced in August 2007 with pupils being transported and housed ("decanted") to Crosshouse Campus in East Kilbride for the duration of the build, anticipated to be completed and available for use in August 2009.

Certain decisions around the Strathaven Academy development have received complaints/objections from parts of the Strathaven Community around for example, the location of the new build school, the decanting of pupils to East Kilbride and impacts on leisure and economic matters.

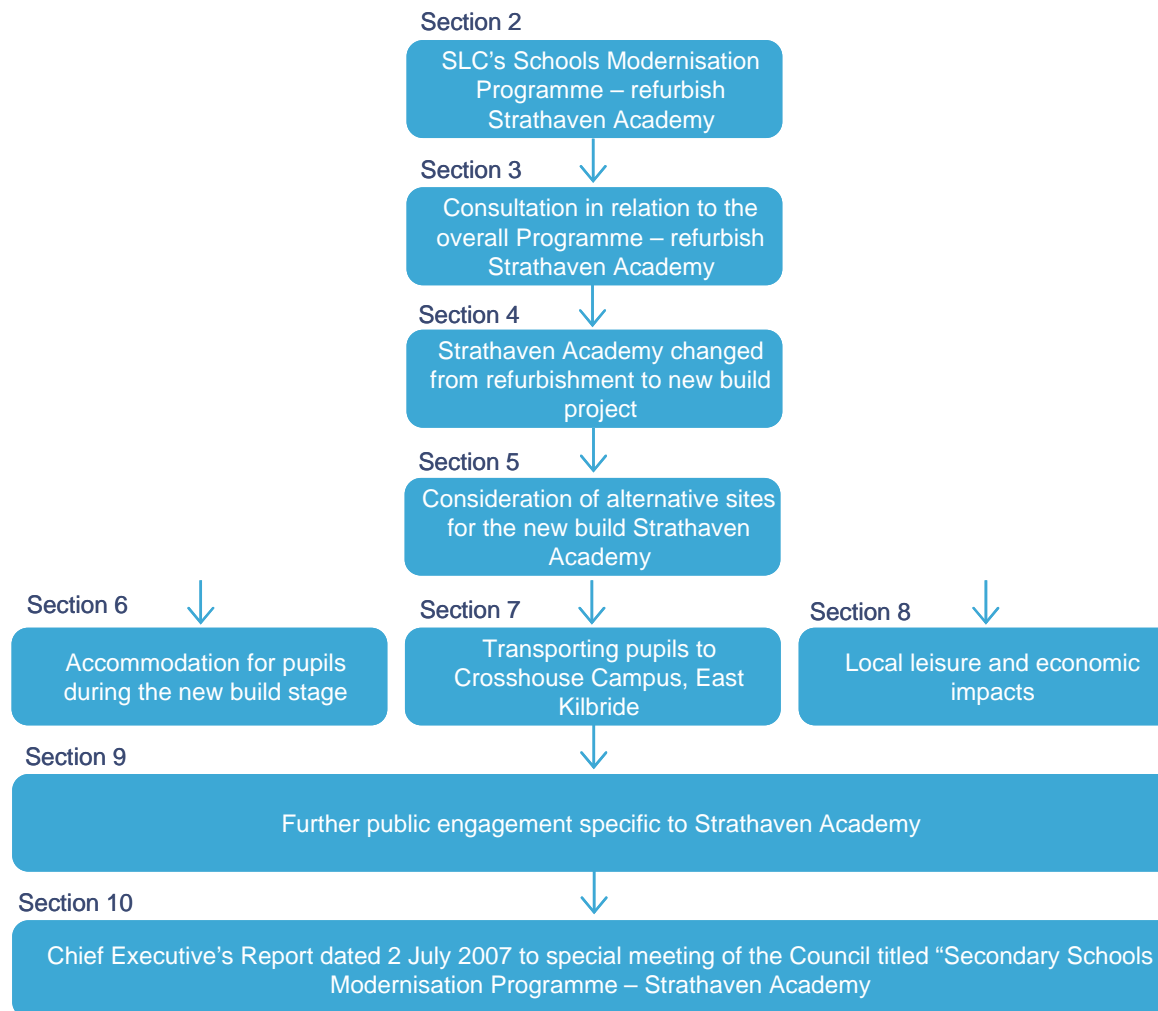
A special meeting of the Council was held on 2 July 2007 when a paper prepared by the Chief Executive entitled "Secondary Schools Modernisation Programme – Strathaven Academy" was presented and discussed. This meeting and paper responded to concerns raised in a requisition signed by 22 Councillors on 12 June 2007.

Following the special meeting of the Council on 2 July 2007 it was agreed that PricewaterhouseCoopers LLP, in its capacity as the Council's External Auditors would undertake a review of the arrangements utilised by the Council to reach a number of the decisions concerning the future of Strathaven Academy.

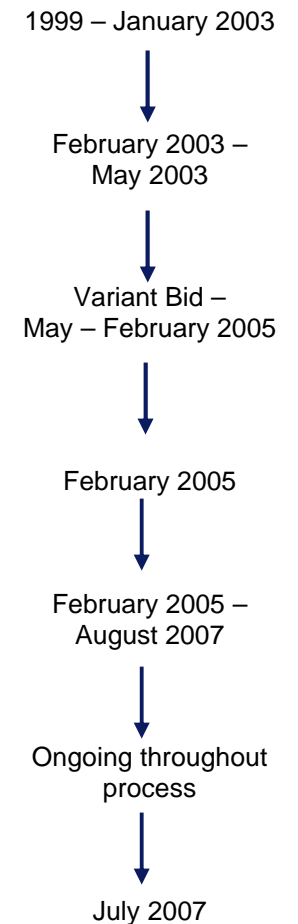
We have reviewed the decision making process followed by the Council in respect of Strathaven Academy, in particular the decisions taken at key stages of the project and the documentation available to support the decisions made.

## Decision making timeline

From receipt of the initial funding to investigate PPP as a potential option for the secondary school Modernisation Programme (in 1999) to the decant of pupils and commencement of construction on the new Strathaven Academy build (in August 2007), a number of key decisions were made by the Council. The broad timeframe for decisions taken is shown below.



## Broad Timescales



## **Schools Modernisation Programme – Refurbishment of Strathaven Academy (Section 2)**

In February 2001, the Scottish Executive approved funding to South Lanarkshire Council (“the Council”) to conduct a feasibility study into Education Public Private Partnerships (“PPP”) projects. Using the funding received the Council prepared (with appointed advisers) an Outline Business Case (“OBC”) for approval. The OBC considered the various options available to the Council in relation to upgrading the Council’s entire secondary school estate.

Before the schools modernisation programme the Council operated twenty five secondary schools. As part of the modernisation programme the Council planned to rationalise the school estate by amalgamating eight schools into four and also by including two special education schools into units with associated secondary schools.

Whilst further rationalisation was included as a potential option in the OBC, this was ruled out by the Council in relation to Strathaven Academy, taking into consideration accessibility, traveling times and the rural nature of the community. The Council’s overarching objective of the modernisation programme, as set out in the OBC was to modernise the secondary school estate and thereby avoid the creation of a two-tier education estate.

A detailed condition survey was undertaken for Strathaven Academy which scored the school to be in poor condition (Category C/D) with many of the buildings being highlighted as being in poor condition and not allowing access for disabled users.

Strathaven Academy was included in the OBC (and a subsequently revised version of the OBC) as a refurbishment (rather than new build) school. As a refurbishment was planned at the time of the OBC, the revised OBC highlights that during the refurbishment period, temporary accommodation for pupils would be created on the school playing fields. The refurbishment would be carried out in phases, taking into consideration school holidays, and with only those parts of the school being refurbished at each point in time, requiring temporary accommodation.

### ***Good Practice Identified: Review of schools provision across South Lanarkshire***

As part of the School modernisation programme the Council reviewed the number of secondary schools that it operated and considered how many schools were required to meet the educational needs of the residents of South Lanarkshire in the future. In addition, the Council’s previous external auditor, Audit Scotland, undertook and provided the Council with a view that the project represented overall value for money.

## **Consultation in relation to the overall schools modernisation programme (Section 3)**

In accordance with the Education (Publication and Consultation etc) (Scotland) Regulations 1981 (SI 1981/1558) the Council undertook a statutory consultation exercise. The guidelines within the 1981 regulations set out a minimum consultation period of 28 days. This minimum period was considered to be inadequate by the Council and therefore the period of consultation was extended to run for a longer period between 3 February 2003 to 25 April 2003.

Within the revised OBC approved by Committee, Strathaven Academy remained as a refurbishment project. 1,681 questionnaires were issued to Strathaven residents, including all secondary school parents and primary school parents within the Strathaven catchment area.

Of the total questionnaires issued, 223 responses were received. In relation to the question asked regarding whether to refurbish Strathaven Academy or not,

87% supported the proposals, 8% supported the proposal although with reservations and 5% were against the proposal. A number of comments received as part of the consultation highlighted a preference for a new build school as opposed to a refurbishment.

***Good practice identified: Consultation period for the modernisation programme***

Council Officers, recognising the scale and size of the modernisation, extended the minimum consultation period from 28 days up to approximately 3 months. As part of this consultation process members of the public were asked their views on school refurbishment (for those schools where a refurbishment was planned) even though such consultation in relation to refurbishments was not required.

**Amendment of Strathaven Academy to a new build (Section 4)**

After the completion of a pre-qualification questionnaire, two bidders were selected to proceed to the Invitation to Negotiate stage (ITN). The ITN document was issued to bidders in May 2004 and outlined the standard bid required by the Council. Unlike the original OBC which anticipated six new builds and thirteen refurbishments, the ITN required eight new build schools and eleven refurbishments (Strathaven Academy being one of the refurbishments).

As part of the ITN process, the two bidders could submit non-variant bids. For example bidders could offer an alternative number of new builds and/or refurbishments compared to the standard bid as long as this remained within the Council's affordability projections.

The two bids received were evaluated by Council officers, Trade Union representatives and the Council's advisers. The Council's preferred bidder after this process was a company called InspirED. InspirED's bid contained a non-variant bid of seventeen new builds and two refurbishments and remained within the Council's affordability projections. The bid assumed that all new schools would be built on council owned land, an assumption which is consistent throughout the OBC and Final Business Case.

After consideration of the bid, the Council's Executive Committee in February 2005 approved InspirED as the preferred contractor and the variant bid of seventeen new builds and two refurbishments, appropriately viewing this as an improvement on six new builds and thirteen refurbishments. The acceptance of the variant bid meant that Strathaven Academy was to become a new build instead of a refurbishment.

Therefore, through negotiation the Council managed to achieve an outcome of 17 new build schools and 2 refurbishments compared with the 6 new builds and 13 refurbishments included in the Outline Business Case and remaining within the same broad affordability constraints set by the Council.

**Key Learning Point - Assessment of implications, risks and cost/benefit analysis within the decision making process**

When undertaking future projects, management should ensure that all potential implications of decisions including cost/benefit analysis and risk assessments are considered at the time of the decision. Notwithstanding the point that a new building is preferable to a refurbished building, it still needed to be recognised that Strathaven Academy had changed from a refurbishment (without the need to decant pupils to another location) to a new build (requiring pupils to be decanted to another location). As a result the Council could have considered in greater detail what additional risks, costs and benefits this strategy would cause. Even although such matters may not have changed the Council's strategy, such considerations should be formally recorded and clearly reflected in action taken when approving key stages of the project (February 2005 in this case) rather than at a later date.

## **Alternative potential sites for Strathaven Academy (Section 5)**

A key decision in relation to the new build could therefore be whether the school should remain on the existing site or whether suitable alternative sites were available and/or more advantageous.

The OBC and Final Business Case (“FBC”) implies that all new build schools were to be built on Council owned land. As Strathaven Academy new build is part of a large PPP project, PPP guidance sets out requirements in relation to risk management, specifically the need to minimise risk for the Council. To minimise risk all seventeen new build schools are being built on existing Council owned land.

In 2004 as part of the Council’s Local Plan development a number of potential development sites were identified within the Strathaven area and included in the draft Local Plan circulated for consultation. A significant number of objections were received by the Council in relation to the sites highlighted in Strathaven and the Council therefore retained these sites as open spaces/green belt sites with no future development. This included the Kirkland Park site.

### ***Good Practice identified: Consultation on the Local Plan***

When the Council was undertaking a review of the Local Plan for the entire Council area a number of consultation exercises were undertaken during 2005 and early 2006 to inform the local plan development. In addition, due to the significant number of complaints/objections received from the public in relation to potential development sites in Strathaven the Council decided that certain sites earmarked as “potential development” sites in Strathaven would remain as open and/or green belt as part of the Local Plan.

In July 2006, the Strathaven Academy Action Group (SAAG) submitted proposals to the Council titled “Alternative scheme for re-building Strathaven Academy”. This document listed six alternative sites for Strathaven Academy instead of re-building on the existing school site.

Of the alternative sites proposed by SAAG, five had received objections as part of the Local Plan development process and continue to be designated by the Council as open space/green belt sites, being zoned as not available for development. In addition, Kirkland Park was the only site currently owned by the Council. On the basis that none of the sites listed could satisfy the requirements of being in Council ownership and being designated as areas for development (in the Local Plan), all six “alternative” sites were rejected by the Council.

### **Key Learning Point - Assessment of Options**

For future projects, all potential options should be considered by the Council and fully evaluated at the time the decision is made. This appraisal should be formally recorded. With regards to Strathaven Academy, a more formal assessment of alternative sites could have been carried out, together with more detailed documentation recording that those alternative sites submitted by the Strathaven Academy Action Group (SAAG) were viewed as unsuitable as they were either not in Council ownership and/or were zoned as open/green belt land with a history of numerous objections to development. In addition, where such reasons and practices are treated for decision making purposes as Council policy, these practices require to be formalised and approved by Council.

## **Accommodation for pupils during the build and decant (Section 6)**

After planning permission was granted in August 2005 for a new school to be built on the existing Strathaven Academy site, a decision was needed around what alternative accommodation was available for the pupils during the build stage. Three broad options for alternative accommodation existed:

1. Tandem Build – Building the new school on the playing fields or available land not currently utilised on the existing site (pupils to stay in existing building whilst new build completed);
2. To build a temporary school on available land near the current site; or
3. Use an existing, available school elsewhere.

### **1. Tandem Build**

Management has stated that it was not possible to use the spare land at the Strathaven Academy site for the new build (for example the playing fields) whilst the existing school was still fully operational. In this regard we have inspected existing site plans and have received correspondence dated 6 September 2007 from the InspirED Deputy General Manager confirming that “the size of the new school in relation to the available access roads / footpaths is such that there is insufficient land available within the site boundary for a tandem build”

### **2. Temporary School**

Management has stated that the Strathaven Academy site is surrounded by residential housing and that there was no available land nearby to build on and that by way of example, the Kirkland Park site was zoned for open space with no developments to take place. Therefore, the only viable option determined by the Council at the time of the decision was to decant pupils to Crosshouse Campus, East Kilbride.

### **3. Use an existing, available school elsewhere**

The option for decanting the pupils to an existing alternative school was reported in InspirED’s approved bid in February 2005 and is a common solution used throughout the project i.e. temporarily decant pupils from one school to another existing, available school. The bid suggested Crosshouse Campus in East Kilbride as a suitable location. We noted that concerns have been raised over the suitability of Crosshouse Campus due to the travel distance required (see below “transportation of pupils” and the existence of asbestos. In this regard we understand that the suitability of the Crosshouse Campus was assessed and continues to be monitored by the Council on an ongoing basis and that an asbestos management plan is in place and is being actioned by Council Officers.



## Transportation of pupils to Crosshouse Campus, East Kilbride (Section 7)

The Council currently transports around 200 pupils on a daily basis to the existing Strathaven Academy, and approximately 7,300 pupils in total throughout the South Lanarkshire Council area. Scottish Executive Circular (7/2003) provides guidance on the provision of school transport.

### ***Good Practice identified: Transportation of Pupils***

The Council currently provides free transportation to pupils living two or more miles from the school which is better than the limits recommended by the Scottish Executive. In addition, the Council took into consideration transport concerns raised and reflected those concerns assessed as being valid by altering certain transport arrangements and amending the question and answer paper issued.

Transport arrangements for the decant were delayed by Council officers until early 2007. Through discussion with Council officers it was noted that transport arrangements for the decant were delayed in order to prepare detailed individual travel plans. In order to effectively plan for the decant in this manner it was noted that “up to date” pupil numbers and geographical locations were required as at August 2007 (first month in which the decant took place), in order to determine with accuracy where individual pupils were travelling from, the number of pupils at each pick up point and the location of the most suitable pick up points.

The Council established two transport groups to review the arrangements in respect of Strathaven Academy – the Transport Operational Liaison Group and Transport Liaison Group. A Council route action plan was developed and improvement works were undertaken along the main transport route between Strathaven and East Kilbride. This action plan considered accidents on the road (blackspots), signage, condition of road and junctions. Supporting this action plan, the Council appointed Jacobs Babbie (External Consultants) to undertake an assessment of the routes to be taken by the school buses, in particular the pupil pick up and drop off points. This report was drafted in May 2007 and finalised in July 2007, and included suggested improvements to the pick up/drop off points.

As the decant arrangements were being refined, based on feedback received, transportation was changed from double decker buses to single decker buses and through discussions with Council officers it was noted that attendants would be in place for the first two weeks at pick up and drop off points and during each journey to ensure a smooth transition. Such arrangements would cease after the first two weeks.

### **Key Learning Point: Decant Arrangements and use of attendants**

A full risk assessment, considering specifically the decant of pupils, for example pupil safety and the impact and solutions relating to potential adverse weather conditions on the decant arrangements could have been undertaken by the Council and documented more fully and at an earlier stage. When considering pupil safety during the decant and reflecting the arrangements specific to Strathaven Academy, the Council could further investigate the use of attendants. In the interests of pupil safety attendants could be used for further periods in addition to the initial two weeks (for example, after school holiday periods to refamiliarise pupils with the arrangements) in order to meet and greet pupils at the pick up and drop off points and accompany them during the period of travel. Regular monitoring of the current arrangements (which operate without attendants) is also advised.

## Leisure and Economic impacts (Section 8)

Due to the construction of a new build school on the existing site and the decant of pupils to East Kilbride, complainants have written to the Council stating that there will be an adverse impact on the leisure facilities currently provided in Strathaven and a potential impact on the Strathaven economy.

The facilities (games hall, squash court, multi-purpose room) that were within Strathaven Academy were open for use by members of the public outwith school opening hours e.g. evenings and weekends.

During the construction phase the existing building which hosts the leisure facilities needs to be demolished as existing facilities are attached to the current Home Economics Department, although access to the swimming pool and fitness suite during construction will remain open as these facilities are located within a separate leisure centre.

Since the decision was taken to demolish current facilities, South Lanarkshire Leisure has been seeking to find alternative accommodation for the current regular Strathaven Academy bookings which will be affected. We understand that alternative bookings have been found and accepted for all bookings.

From a review of the alternative bookings made it was noted that the leisure fees which will be paid for by the regular users of the facilities, e.g. those bookings which have been rescheduled, differ from the leisure fees payable at the previous Strathaven Academy site. For example the leisure fees for five-a-side football pitches in Hamilton and East Kilbride are nearly double the fee that was payable to use the Strathaven facilities. Therefore, during the period of construction, those affected leisure users may incur additional costs to use alternative facilities through both the higher fees and transport costs.

### **Key Learning Point: Cost of using leisure facilities during the construction phase**

A number of regular users from the Strathaven Community will be using alternative facilities within the South Lanarkshire Council Leisure portfolio, which for certain facilities are more expensive than the cost incurred for using similar facilities in Strathaven. Therefore, also taking account of the travel costs involved, as a goodwill gesture the Council could investigate the possibility of allowing those Strathaven leisure users with regular bookings to use the alternative facilities at the cost they were previously paying in Strathaven, during the two year construction phase. Once Strathaven Academy facilities are complete the Council should then take the opportunity to review and align leisure charges at the Strathaven Leisure facilities with those charged at similar facilities elsewhere in South Lanarkshire.

We also noted a number of public complaints has been raised around the impact on the local economy of Strathaven, in particular the impact on local businesses during the two year build phase.

Through discussion with Council Officers it was noted that the decant was known two years in advance and this therefore would potentially allow those local businesses affected to plan the change in customer base during the two year construction period.

## Engagement Exercises undertaken by the Council (Section 9)

Between the overall schools modernisation programme being approved by Committee (February 2003) and the decant of pupils to Crosshouse Campus commencing August 2007 the Council undertook a number of engagement exercises including information days and briefing sessions for stakeholders including members of the Strathaven Academy school board, pupils and parents.

### Key Learning Point - Public Engagement and specific comments received from stakeholders

Where there is no statutory duty to consult with members of the public and other key stakeholders, the Council should consider more formally the opportunity and merits of further engagement to aid openness and stakeholder involvement in the decision making process, particularly in situations where there has been an increased level of complaints, Freedom of Information requests and the like. In addition, where specific comments are raised by stakeholders, these should be recorded and considered more formally by the Council to ensure a suitable response is given to complainants. Additionally the reasons for or for not utilising these comments to inform decisions at a later stage of the project should be recorded.

## Overall Commentary

The Schools Modernisation Programme is the largest single capital related project that the Council has undertaken using PPP and encompassing full coverage of all secondary schools throughout South Lanarkshire. Through successful negotiation with the preferred contactor the Council negotiated seventeen new build schools and two refurbishments, as opposed to eight new build schools and eleven refurbishments, within the broad affordability constraints set by the Council. Understandably, given the size and economies of scale of the modernisation project it was managed by the Council as a single project. However, an inherent risk in managing the modernisation programme as a single project is the degree of attention that can be attributed to local issues. From our review of the Strathaven Academy arrangements, within the overall modernisation project, it was noted that a number of areas could have been considered by the Council on a more timely, formal and responsiveness manner.

Particular learning points identified in respect of Strathaven Academy and applicable to future Council projects are:

- **Assessment of options, implications, risks and cost/benefit analysis at the appropriate time within the decision making process** – When undertaking future projects, management should ensure that all potential implications of decisions including cost benefit analysis and risk assessments are considered at the time any decisions are made and all appraisals are formally recorded and approved. This should involve site selection, temporary accommodation and temporary transport/travel arrangements (Learning Points 1 – 2 and 4 – 7).
- **Public engagement and specific comments received from stakeholders** – Where there is no statutory duty to consult with members of the public and other key stakeholders, the Council should consider more formally the opportunity and merits of further engagement to aid openness and stakeholder involvement in the decision making process, particularly in situations where there has been an increased level of complaints, Freedom of Information requests and the like (Learning Points 3 and 9)

Nevertheless, in terms of the overall processes followed by the Council and considering the learning points identified above, the overall outcome in terms of Strathaven Academy would likely remain unchanged as follows:

Overall Outcome	Comment
New build as opposed to refurbishment of Strathaven Academy	It is generally accepted that a new build school is the preferable option as opposed to Strathaven Academy being refurbished.
Building the new school on the existing site	A number of considerations were required in respect of the site of the new Strathaven Academy, namely the Council's practice of building the new schools under the schools modernisation programme on Council owned land, the availability of alternative sites that were not designated green belt/open space sites within Strathaven and the desire to commence building work in Summer 2007. Taking these Council set requirements into consideration the option assessed by the Council as being of lesser risk was to build the new school on the existing site.
Re-housing and transporting pupils to temporary accommodation during the two year construction period of the new school	The option of decanting pupils to an alternative school is common practice used throughout the schools modernisation programme. Crosshouse Campus was the deemed by the Council to be nearest school available to house the pupils during the construction phase. The existing site was unable to accommodate a tandem build and the construction of a temporary facility in Strathaven was subject to the same restrictions noted above in relation to an alternative site for the school, together with the additional costs which would be significantly incurred as outlined in the Chief Executive's report (dated July 2007).

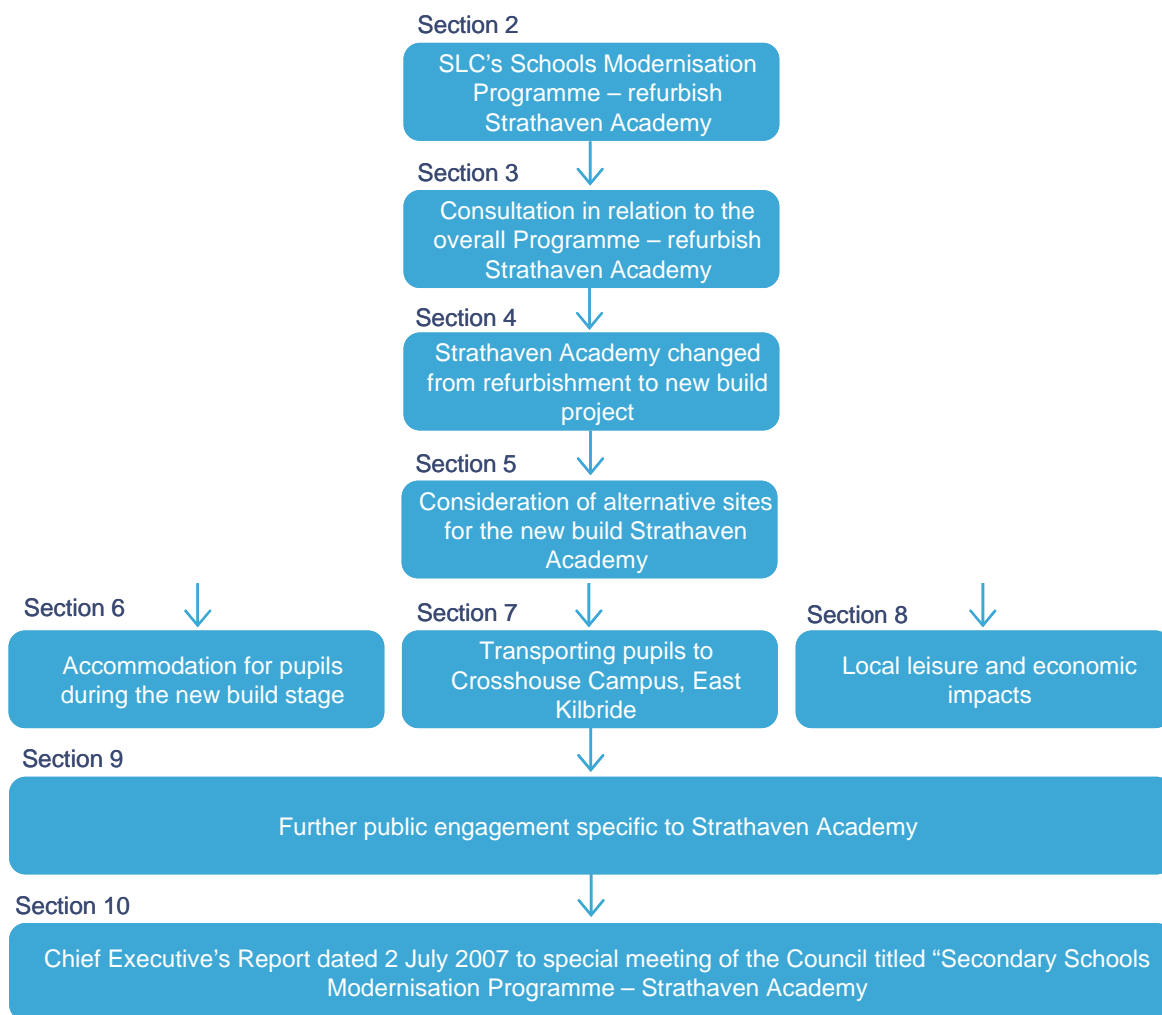
Most of the learning points highlighted within this report will apply to future Council projects. However, certain points identified could be worth Council consideration now, in particular:

- The Council should take the opportunity to review its stakeholder engagement practices and communication arrangements in relation to the remaining period of the Schools Modernisation (Learning Points 3 and 9).
- When considering pupil safety during the decant, the Council could investigate the use of attendants for further periods in addition to the initial two week period (which has now passed). In particular, in the interests of pupil safety and reflecting the particular issues relevant to Strathaven Academy the further use of attendants (for example following holiday periods to refamiliarise pupils with arrangements) could be used in order to meet and greet pupils at the pick up and drop off points and accompany them during their travel periods. Regular monitoring of the current arrangements (which operate without attendants) is also advised. (Learning Point 5).
- Certain members of the Strathaven Community will be using alternative facilities within the South Lanarkshire Council leisure portfolio, which for certain facilities are more expensive than the cost incurred of using similar facilities in Strathaven. Therefore, also taking account of the travel costs involved as a goodwill gesture the Council could investigate the possibility of allowing those Strathaven leisure users with regular bookings to use the alternative facilities at the cost they were previously paying in Strathaven, during the two year construction phase (Learning Point 8).

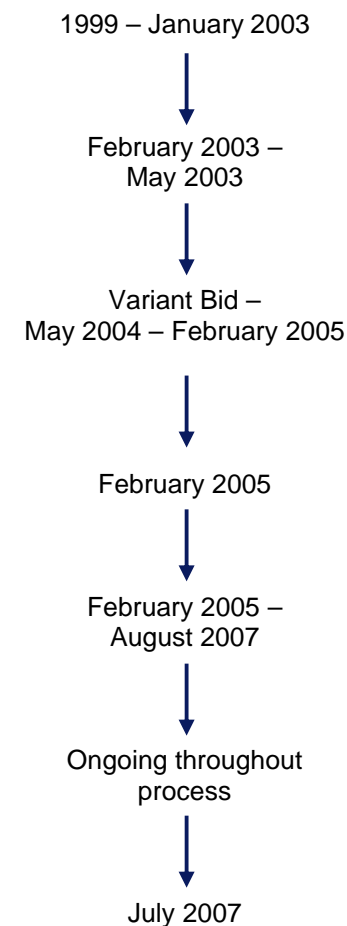
# 1. Introduction and Background

- 1.01 In May 2006, the Executive Committee approved the building of seventeen new secondary schools and the refurbishment of two secondary schools as part of South Lanarkshire Council's secondary schools Public Private Partnership (PPP) Contract. In the initial outline business case Strathaven Academy was included as a refurbishment. This was subsequently changed to the building of a new Strathaven Academy on the existing school site.
- 1.02 Building of the new school commenced in August 2007 with pupils being transported and housed ("decanted") to Crosshouse Campus in East Kilbride for the duration of the build, anticipated to be completed and available for use in August 2009.
- 1.03 Certain decisions around the Strathaven Academy development have received complaints/objections from parts of the Strathaven Community around for example, the location of the new build school, the decanting of pupils to East Kilbride and impacts of leisure and economic matters.
- 1.04 On 12 June 2007, a requisition was signed by twenty two South Lanarkshire Councillors requesting a special meeting of the Council in relation to the previous Council decisions on Strathaven Academy.
- 1.05 Prior to the special Council meeting on 2 July 2007, a number of concerns were raised by certain Councillors:
- The decisions taken by the Council in relation to Strathaven Academy does not offer best value;
  - Inaccurate data has been used on potential changes to the population;
  - Arrangements for pupils transferring from Strathaven Academy does not provide any stability in the education of pupils;
  - Arrangements to transport pupils are unsafe;
  - Adequate replacement Leisure/Community facilities have not been provided for during the construction phase;
  - The Council has not addressed the associated impact on the community.
- 1.06 The Special Council Meeting on 2 July 2007 received a detailed paper from the Chief Executive responding to the above concerns. The report also considered two alternative options and the associated costs – Option 1: build a new school at Kirkland Park and continue to use the existing school during the construction period and Option 2: build a new school on the existing site and decant pupils to a temporary modular village at Kirkland Park during the construction period.
- 1.07 Following the special meeting of the Council on 2 July 2007 it was agreed that PricewaterhouseCoopers LLP, in its capacity as the Council's External Auditors would undertake a review of the arrangements utilised by the Council to reach a number of decisions concerning the future of Strathaven Academy – our precise remit in this regard is set out in our engagement letter dated 24 July 2007. It is emphasised that our remit was not to ascertain and investigate those complaints raised by stakeholders or other interested parties.
- 1.08 We have reviewed the decision making process followed by the Council in respect of Strathaven Academy, in particular the decisions taken at certain key stages of the project and have reviewed the documentation available to support the decisions made.

1.09 The broad timescales and decision points in relation to the Secondary Schools Modernisation Programme are as follows:



#### Broad Timescales



1.10 Our findings are set out in this report, in line with the key decisions documented in the above flow chart, along with specific areas of good practice identified and learning points which the Council can apply to future projects.

## 2. Schools Modernisation Programme

### Background to the Modernisation Programme

- 2.01 In February 2001, the Scottish Executive approved funding to South Lanarkshire Council (“the Council”) to conduct a feasibility study into Education Public Private Partnership (“PPP”) projects. Using the funding received the Council subsequently prepared, working in partnership with appointed external advisers, an outline business case (“OBC”) for approval. The OBC considered the various options available to the Council in relation to upgrading the Council’s entire secondary school provision. The OBC outlined:
- Current capacity of secondary schools including current pupil numbers and future pupil projections based on available census data;
  - Detailed condition surveys of seven secondary schools, including Strathaven Academy and a walk round exercise for the remaining schools; and
  - The level of required investment by the Council in order to maintain and improve the secondary school estate.
- 2.02 Before the Schools Modernisation Programme, the Council operated twenty five secondary schools. As part of the modernisation programme the Council planned to rationalise the school estate by amalgamating eight schools into four and also incorporating two special education schools into units within the associated secondary schools. In addition, the Council considered whether it was able to maintain its existing level of school provision against a backdrop of changing occupancy levels in schools, for example, its ability to retain schools located in rural and other areas. The results of this work, as outlined in the OBC, was that nineteen secondary schools would remain consisting of six new build schools and thirteen refurbishments.
- Good Practice Identified – Review of school estate***

As part of the School modernisation programme the Council reviewed the number of secondary schools that it operated and considered how many schools were required to meet the educational needs of the residents of the South Lanarkshire Council in the future
- 2.03 Whilst rationalisation was included as an option in the OBC this was ruled out by the Council in relation to Strathaven Academy, taking into consideration accessibility, travelling times and the rural nature of the community. The Council’s overarching objective of the modernisation programme, as set out in the OBC, was to modernise the whole secondary school estate and thereby avoid the creation of a two-tier education estate.
- 2.04 The revised OBC was approved by the Council’s Executive Committee in January 2003 and submitted to the Scottish Executive.

- 2.05 The requirement to demonstrate Value for Money (“VFM”) was central to the approval of the project for both the Council and the Scottish Executive. The Scottish Executive required that the project provided VFM in approving the level playing field support funding to the Council. Audit Scotland, the Council’s previous external auditor provided an opinion in March 2006 stating that “based on the financial adviser’s analysis, at this stage the quantitative assessment demonstrates that the PFI project represents overall value for money”.

***Good Practice Identified – Independent scrutiny***

The Council’s previous external auditors, Audit Scotland, undertook and provided to the Council a view that the project represented overall value for money.

**Strathaven Academy within the initial and revised OBC**

- 2.06 Strathaven Academy was included in the OBC and subsequently revised OBC as a refurbishment. The detailed condition survey undertaken for Strathaven Academy scored the school to be in a ‘poor’ condition (category C/D) with many of the buildings being highlighted as being in poor condition and not allowing access for disabled users.
- 2.07 As a refurbishment was planned at the time of the OBC, the revised OBC highlights that during the refurbishment, temporary accommodation would be created on the school playing fields. The refurbishment would be carried out in phases, taking into consideration school holidays, and with only those parts of the school being refurbished at each point in time requiring temporary accommodation.



# 3. Consultation in relation to the overall Schools Modernisation Programme

- 3.01 The Council's Executive Committee approved the revised OBC in January 2003 and at this stage approved a consultation exercise in relation to modernising the whole of the Council's secondary schools estate.

## **Consultation Undertaken**

- 3.02 The Council's modernisation programme included:

- A review of its catchment policy including amendments to certain catchment areas;
- The amalgamation of certain schools and rationalisation of twenty five schools to nineteen; and
- Changing the site of certain schools

- 3.03 In accordance with the Education (Publication and Consultation etc) (Scotland) Regulations 1981 (SI 1981/1558) the Council undertook a statutory consultation exercise. Through review of this guidance, and written legal confirmation received by the Council in July 2006 it was noted that there was no requirement to consult with stakeholders where only a refurbishment was planned. The guidelines within the 1981 regulations set out a minimum consultation period of 28 days. This minimum period was considered to be inadequate by the Council and therefore the period of consultation was extended to run for a longer period between 3 February 2003 to 25 April 2003.

### ***Good Practice identified: Length of Statutory Consultation***

Council Officers, recognising the size and scale of the modernisation, extended the minimum consultation period from 28 days up to approximately three months. As part of this consultation process members of the public were asked their views on school refurbishment (for those schools where a refurbishment was planned) even though such consultation in relation to refurbishments was not required.

- 3.04 Prior to commencing the consultation exercise in February 2003 Council Officers sought legal advice from the Council's legal services. However, this advice was sought verbally and not confirmed in writing, although this was subsequently validated in writing in July 2006 in response to a number of queries surrounding Strathaven Academy and the consultation process.

### **Strathaven Academy as part of the wider consultation exercise**

- 3.05 Within the revised OBC approved by Committee, Strathaven Academy remained as a refurbishment Project. 1,681 questionnaires were issued to Strathaven residents, including all secondary school parents and primary school parents within the Strathaven catchment area.
- 3.06 Of the total questionnaires issued, 223 responses were received. In relation to the question asked regarding whether to refurbish Strathaven Academy or not, 87% supported the proposals, 8% supported the proposal with reservations and 5% were against the proposal. A number of comments received as part of the consultation highlighted a preference for a new build school as opposed to a refurbishment.
- 3.07 The outcome from the consultation exercise was reported to the Council's Executive Committee in May 2003. The consultation summary paper presented at this Committee was split across each secondary school, outlined the percentage of questionnaires returned and any significant responses received. At this point, based on the output from the consultation exercise, Strathaven Academy was approved as a refurbishment.

## 4. Strathaven Academy Amended to a New Build Project

- 4.01 After the completion of a pre-qualification questionnaire, two bidders were selected to proceed to the Invitation to Negotiate stage (ITN). The ITN document was issued to bidders in May 2004 and outlined the standard bid required by the Council; unlike the original OBC which anticipated six new builds and thirteen refurbishments, the ITN required eight new build schools and eleven refurbishments (Strathaven Academy being one of the refurbishments).
- 4.02 As part of the ITN process, the two bidders could submit non-variant bids. For example bidders could offer an alternative number of new builds and/or refurbishments compared to the standard bid as long as costs remained within the Council's affordability projections.
- 4.03 The two bids received were evaluated by Council officers, Trade Union representatives and the Council's advisers. The Council's preferred bidder after this process was a company called InspirED. InspirED's bid contained a non-variant bid of seventeen new builds and two refurbishments and remained within the Council's affordability projections. The bid assumed that all new schools would be built on council owned land, an assumption which is consistent throughout the OBC and Final Business Case. Through review of InspirED's variant bid it was also noted that InspirED offered to discuss further variations to the bid, in order to provide additional options between the standard bid and the variant they proposed.
- 4.04 After consideration of the bid, the Council's Executive Committee in February 2005 approved InspirED as the preferred contractor and the variant bid of seventeen new builds and two refurbishments, appropriately viewing this as an improvement on six new builds and thirteen refurbishments.

### ***Good Practice Identified – New build schools***

Through negotiation the Council managed to achieve an outcome of seventeen new build schools and two refurbishments compared with the six new builds and thirteen refurbishments included within the Outline Business Case, within the same broad affordability constraints set by the Council.

### **Impact of variant builds on Strathaven Academy**

- 4.05 The acceptance of the variant bid meant that Strathaven Academy was to become a new build instead of a refurbishment.

4.06 The variant bid outlined the following in respect of Strathaven Academy:

- The design of the new school would accommodate 770 pupils, with flexibility allowing for a maximum of 866 pupils. Pupil numbers were projected based on Census data (taking into account available school rolls and estimated 5<sup>th</sup> and 6<sup>th</sup> year retention rates);
- New build construction to start in August 2007. However, due to site restrictions pupils could not be accommodated on-site when construction work was ongoing;
- InspirED proposed decanting pupils to the former Ballerup High school, East Kilbride (Crosshouse Campus) which would become available in 2007;
- Transport costs associated with the decant were included in the unitary charge payable by the Council.

4.07 When the InspirED variant bid was received, there was no supporting evidence available to demonstrate that a school by school impact assessment was undertaken by Council offers, prior to approving the variant bid. Whilst it is accepted that a new build school is preferable to a refurbishment there may have been specific circumstances in relation to individual schools which could have been taken into account as part of the decision making process at that time. As part of this school by school assessment, an initial impact, cost/benefit analysis, and risk assessment could have been undertaken. For example for Strathaven Academy, consideration could have been given at that time to the costs and impact of decanting pupils including potential impacts on the community.

**Learning Point 1: Assessment of implications, risks and cost/benefits within the decision making process**

When undertaking future projects, management should ensure that all potential implications of decisions, including cost/benefit analysis and risk assessments are considered at the time of the decision. Notwithstanding the point that a new building is preferable to a refurbished building, it still needed to be recognised that Strathaven Academy had changed from a refurbishment (without the need to decant pupils to another location) to a new build (requiring pupils to be decanted to another location). As a result the Council could have considered at the point of decision and in greater detail what additional risks, costs and benefits this changed strategy would cause. Even although such matters may not have changed the Council's strategy, such considerations should be formally recorded and clearly reflected in action taken when approving key stages of a project (February 2005 in this case) rather than at a later date.

4.08 In March 2006, a complaint was received by the Ombudsman in relation to Strathaven Academy. The complaint stated that:

- The Council did not re-tender the works when their proposals for the school changed from a refurbishment to a new build;
- It was unsatisfactory that the transportation costs remained to be calculated; and
- No explanation was given for the reasons why a site for Strathaven Academy next to the existing Kirkland Park Primary School was unsuitable.

4.09 The Ombudsman investigated this complaint, with the results of the investigation reported in November 2006. The Ombudsman found that there was no requirement to re-tender for the works as European Union Procurement Procedures allowed for the submission and acceptance of variant bids, such as in this case.

- 4.10 The Ombudsman noted the reasons for transportation costs not having been calculated to date, being that there was still work to be done in finalising travel arrangements, including having information on the pupil roll. The Ombudsman stated that this was reasonable and also stated that the transport costs were part of the successful contractor's unitary charge.
- 4.11 The Ombudsman noted the Council's explanation that as the contractor proposed to re-build the school on the same site, the Council were not required to consider alternative sites. The Ombudsman also found that reasons were given as to why the proposed Kirkland Park site was unsuitable: being the likely objections to development on the site, difficulties with sewer infrastructure, and the Council's practice wherever possible not to locate primary and secondary schools on adjacent sites.

## 5. Alternative Potential Sites for Strathaven Academy

- 5.01 As noted in Section 4, following the outcome of the schools modernisation preferred bidder process, and subsequent Executive Committee approval of the variant bid, Strathaven Academy was amended from a refurbishment to a new build school. A key decision in relation to the new build was therefore whether the school should remain on the existing site or whether suitable alternative sites were available and/or more advantageous.
- 5.02 The OBC and FBC implies that all new build schools were to be built on Council owned land. As Strathaven Academy new build is part of a large PPP project, PPP guidance sets out requirements in relation to risk management, specifically minimising risk for the Council. Through discussion with Council officers it was noted that one of the ways the Council has looked to reduce risk within the project is to maintain all builds on Council owned land, thereby reducing unforeseen costs and delays e.g. the additional risks of attempting to procure non-Council owned land when Council owned land was already available. To minimise such risks all seventeen new build schools are being built on existing council owned land.
- 5.03 Through discussions with Council officers we were informed that current practice is not to co-locate Secondary and Primary Schools on the same site. The last secondary school this applied to was Hunter High School and under the Modernisation Programme this school has been rationalised and moved to an alternative site.
- 5.04 Although both practices are implicit within the OBC and FBC, these practices are not set out in writing as formal Council policies.
- 5.05 The current InspirED bid involved Strathaven Academy remaining on the existing site, and therefore Council owned land. As a result, no alternative sites were formally considered at this time (February 2005). In response to a Freedom of Information request (November 2005), Council officers stated that “there are no sites under Council ownership in Strathaven that would be suitable to house a school building and associated sports facilities”.

### **Development of the South Lanarkshire Council Local Plan**

- 5.06 In May 2004 the Planning Committee commenced the development of the local plan, which is the Council's future plans for available space e.g. open sites and/or green belt areas. When developing the Council's local plan a number of sites were considered for potential future developments. This planning process included consultation on a number of potential development sites throughout South Lanarkshire. Specific consultation exercises in this regard were undertaken during 2005 and early 2006.

#### ***Good Practice Identified – Consultation on Local Plan***

When the Council was undertaking a review of the Local Plan for the entire Council area a number of consultation exercises were undertaken to inform the Local Plan development.

- 5.07 In Strathaven a number of “potential development” sites were identified and included in the draft Local Plan which was circulated for consultation. However, a number of objections were received by the Council in relation to each of the sites highlighted in Strathaven. Therefore, the Council recommended that these sites remained as open spaces/green belt sites with no future development.

#### ***Good Practice identified – development sites***

Due to the significant number of complaints/objections received from the public in relation to potential development sites in Strathaven the Council decided that certain sites earmarked as “potential development” sites in Strathaven would remain as open and/or green belt as part of the Local Plan.

#### **Proposed alternative sites for Strathaven Academy**

- 5.08 In July 2006, the Strathaven Academy Action Group (SAAG) submitted proposals to the Council titled – “Alternative scheme for re-building Strathaven Academy”. This document outlined the following alternative sites to rebuilding on the existing school site:
- Kirkland Park (adjacent to the primary school);
  - Crofthead;
  - Smellie’s yard;
  - Maidenhead farm;
  - Beside the A723, (near the rugby club); and
  - Threestanes farm.
- 5.09 Of the alternatives sites proposed by SAAG: Kirkland Park, Crofthead, Maidenhead farm, A723 and Threestanes farm all received objections as part of the Local Plan development process and were subsequently designated by the Council to remain as open spaces and not available for development. In addition, Kirkland Park was the only site currently owned by the Council.
- 5.10 As a result of the Council’s desire to use its own existing land, the Council’s response to SAAG’s proposals rejected all the proposed alternative sites with the exception of Kirkland Park (as this was the only site owned by the Council). However, Kirkland Park was subsequently also rejected due to the significant number of planning objections received in relation to this site during the Local Plan development and the fact that it was to remain as an open space site.

- 5.11 The only documented evidence we have been able to locate supporting this position adopted by the Council is a letter addressed to SAAG from the Executive Director of Education dated 28 June 2006. No Committee or Council wide response was made in relation to potential alternative sites, nor have we been able to identify a detailed paper or equivalent assessing more formally these sites.
- 5.12 In June 2007 Council Members requested that a cost/benefit analysis was undertaken which considered alternative proposals including an alternative site at Kirkland Park. A paper by the Chief Executive dated July 2007 was submitted to the Council and considered this matter together with the impact on the local plan, changes in unitary costs, delays to the project and additional construction costs.
- 5.13 Through discussion with Council officers and review of supporting documentation it would have been, in our view, more timely and comprehensive for Council officers to have considered alternative sites and to have formally recorded why those alternative sites were not acceptable to the Council at the time of the exchange of correspondence with SAAG and possibly even earlier at the time of receipt of the Variant Bid changing Strathaven Academy from refurbishment to new build. This approach could have been broadly similar to that subsequently adopted by the Council in July 2007 when certain alternative options were considered and costed more formally.
- 5.14 In addition, it may have been helpful for the Council to have increased its engagement with members of the public within Strathaven concerning the plans for a new build, although it is recognised this is not a statutory requirement (also see Section 9). Much of the consultation on future strategy concerning the Modernisation Programme took place when Strathaven Academy was still scheduled for refurbishment.

#### **Learning Point 2: Assessment of options**

On a similar theme to Learning Point 1, for future projects, all potential options should be considered by the Council and fully evaluated at the time the decision is made. This appraisal should be formally recorded. With regards to Strathaven Academy, a more formal assessment of alternative sites could have been carried out, together with more detailed documentation recording that those alternative sites submitted by the Strathaven Academy Action Group (SAAG) were viewed as unsuitable as they were either not in Council ownership and/or were zoned as open/green belt land with a history of numerous objections to development. In addition, where such reasons and practices are treated for decision making purposes as Council policy, these practices require to be formalised and approved by Council.

#### **Approval of new build on existing site**

- 5.15 A number of objections were received to the planning application to build a new school on the existing site. However, a number of these objections were not assessed by the Council to be planning objections and were not considered as part of the planning approval process. Taking into consideration the objections raised in respect of the planning application itself, a hearing was offered to objectors and the applicant. Following this process the Council granted planning permission at a special planning meeting in August 2005 and this was subsequently approved by the Scottish Executive.



#### ***Good Practice identified – Planning hearing***

Due to the significant public interest in the planning application for new build schools, a hearing was offered to the objectors and the applicant to allow respective views to be stated and considered as part of the planning process.

- 5.16 During the planning process a number of complaints were received in respect of alternative sites and the decant/pupil re-housing strategies. As they were not relevant to the planning application they were not considered when the planning application was approved. However, we were unable to identify evidence to show that these concerns were subsequently considered and/or responded to by the Council (even although they were received from members of the public).

#### **Learning Point 3 - Public Engagement and specific comments received from stakeholders**

Where there is no statutory duty to consult with members of the public and other key stakeholders, the Council should consider more formally the opportunity and merits of further engagement to aid openness and stakeholder involvement in the decision making process, particularly in situations where there has been an increased level of complaints, Freedom of Information requests and the like. In addition, where specific comments are raised by stakeholders, these should be recorded and considered more formally by the Council to ensure a suitable response is given to complainants. Additionally the reasons for or for not utilising these comments to inform decisions at a later stage of the project should be recorded.

## 6. Accommodation for pupils during the new build and demolition stage

6.01 After planning permission was granted in August 2005 for a new school to be built on the existing Strathaven Academy site, a decision was needed around what alternative accommodation was available for the pupils during the build stage. Three broad options for alternative accommodation existed:

1. Tandem Build – Building the new school on the playing fields or available land not currently utilised on the existing site (pupils to stay in existing building whilst new build completed);
2. To build a temporary school on available land near the current site; or
3. Use an existing, available school elsewhere.

### 1. Tandem Build

6.02 Management has stated that it was not possible to use spare land at Strathaven Academy site for the new build (for example the playing fields) whilst the existing school was still fully operational. In this regard we have inspected existing site plans and have received correspondence dated 6 September 2007 from the InspirED Deputy General Manager confirming that “the size of the new school in relation to the available access roads / footpaths is such that there is insufficient land available within the site boundary for a tandem build”

### 2. Temporary School

6.03 In addition, Management has stated that the Strathaven Academy site is surrounded by residential housing and that there was no available land nearby to build on and that by way of example, the Kirkland Park site was zoned for open space with no developments to take place. Therefore, the only viable option determined by the Council at the time of the decision was to decant pupils to Crosshouse Campus, East Kilbride.

6.04 Overall, the impact and cost/benefit analysis of alternative temporary accommodation could have been considered formally some two years ago when assessing potential decant options rather than it first being considered in this manner in the Chief Executive's paper of July 2007 – this paper indicates that building a temporary school would have been more costly than decanting pupils to Crosshouse Campus, East Kilbride. The costings undertaken for the July 2007 paper could therefore have been undertaken at an earlier time in order to better inform the Council decision making process.

### **Use an existing, available school elsewhere**

- 6.05 The option for decanting the pupils to an existing alternative school was reported in InspirED's approved bid in February 2005 and is a common solution used throughout the project i.e. temporarily decant pupils from one school to another existing, available school. The bid suggested Crosshouse Campus in East Kilbride as a suitable location. We noted that concerns have been raised over the suitability of Crosshouse Campus due to the travel distance required and existence of asbestos. In this regard we understand that the suitability of the Crosshouse Campus was assessed and continues to be monitored by the Council on an ongoing basis and that an asbestos management plan is in place and is being actioned by Council Officers. We have been informed that on a weekly basis, site investigations are undertaken at Crosshouse Campus reviewing any potential signs of damage and asbestos. We have also been provided with evidence of work having been undertaken at the school and subsequent asbestos tests carried out.

#### ***Learning Point 4: Alternative temporary accommodation***

Overall, the impact and cost/benefit analysis of alternative temporary accommodation could have been considered more fully in 2005 when it was clear that a decant option would be required rather than this assessment not taking place until the Chief Executive paper dated July 2007. The costings undertaken for the Chief Executive's July 2007 paper could therefore have been undertaken at an earlier time in order to better inform the Council decision making process. The Chief Executive's July 2007 paper estimates that building temporary accommodation rather than decanting pupils to the Crosshouse Campus, East Kilbride would now cost the Council an additional (net) £18 million due to building the temporary accommodation, delays and abortive costs. Had this decision been made as part of the contract negotiations some two years ago, based on the figures contained in the Chief Executive's July 2007 report, the Council would still have incurred additional (net) costs of around £6 million.

# 7. Transporting Pupils to Crosshouse Campus, East Kilbride

- 7.01 Once the decision had been taken by the Council to decant pupils to Crosshouse Campus for the period of the new build, decisions were required in relation to:
- How pupils were to be transported during the decant period; and
  - The impact decanting pupils might have on education provision.

## Transportation of Pupils

- 7.02 The Council currently transports around 200 pupils on a daily basis to the existing Strathaven Academy, and approximately 7,300 pupils in total throughout the South Lanarkshire Council area.
- 7.03 Scottish Executive Circular (7/2003) provides guidance on the provision of school transport. When this circular was reviewed by Council officers, a response was submitted to the Scottish Executive outlining how the circular was to be implemented locally. The circular stated that Secondary school transportation should be provided to all secondary school pupils living 3 miles or more from the school. In response to this the Council determined that free transportation would be provided for all pupils living two or more miles away from the school.

### ***Good Practice – Free transportation***

The Council provides free transportation to pupils living two or more miles from the school which is better than the limits set out by the Scottish Executive.

## Practical Transport Aspects

- 7.04 Transport arrangements for the decant were delayed by Council officers until early 2007. Through discussion with Council officers it was noted that transport arrangements for the decant were delayed in order to prepare detailed individual travel plans. In order to effectively plan for the decant in this manner it was noted that “up to date” pupil numbers and geographical locations were required as at August 2007 (first month in which the decant took place), in order to determine with accuracy where individual pupils were travelling from, the number of pupils at each pick up point and the location of the most suitable pick up points.

- 7.05 The Council established two transport groups to review the arrangements in respect of Strathaven Academy – the Transport Operational Liaison Group and Transport Liaison Group. Attendees for both groups included Strathclyde Passenger Transport, Strathclyde Police, education officers and roads and transport officers. These groups considered how transport arrangements would operate before and during the decant.
- 7.06 From a review of the minutes of both Groups, it was noted that the minutes recorded actions to be taken, not necessarily a detailed minute of discussions held. A Council Route Action Plan was developed and improvement works were undertaken along the main transport route between Strathaven and East Kilbride. This action plan considered accidents on the road (blackspots), signage, condition of road and junctions. Supporting this action plan the Council appointed Jacobs Babbie (External Consultants) to undertake an assessment of the routes to be taken by the school buses, in particular the pupil pick up and drop off points. This report was drafted in May 2007 and finalised in July 2007, and included suggested improvements to the pick up/drop off points.
- 7.05 In addition, in determining pick up and drop off points we have been informed that the Strathaven Academy Head Teacher was involved in determining suitable pick up and drop off points.
- 7.06 Certain elements of the decant arrangements could have been considered at an earlier stage, e.g. during 2005 and used to inform members of the public and parents of the initial overview proposed arrangements. However, it is accepted that at this early stage an individual pupil travel plan could not have been provided to each pupil.
- 7.07 Neither the Council Route Action Plan, Transportation group minutes or the Jacobs Babbie report considered the potential impact on the decant arrangements due to potential adverse weather conditions. Given the exposed nature of this route this may have an impact on the transportation of pupils.
- 7.08 As the decant arrangements were being refined, based on feedback received, transportation was changed from double decker buses to single decker buses. Council practice is not to have attendants on single decker buses and guidance from the Scottish Executive states that there is no statutory requirement to provide supervision on schools transport. Through discussions with Council officers it was noted that attendants would be in place for the first couple of weeks at pick up and drop off points to ensure a smooth transition. From a safety perspective the Council may wish to continue to provide attendants for the duration of the decant, during the actual journey from Strathaven Academy to East Kilbride. First pick up of pupils is 7.50am meaning that certain pupils could be potentially travelling on Council transport for over an hour one way) and at pick up and drop off points may have as many as 30 – 40 pupils congregating during “rush hour” periods, by way of example attendants could ensure pupils get onto buses immediately when they arrive, potentially reducing the risk of large pupil numbers congregating at pick up points.

#### **Learning Point 5: Decant Arrangements and use of attendants**

A full risk assessment, considering specifically the decant of pupils, for example pupil safety and the impact and solutions relating to potential adverse weather conditions on the decant arrangements could have been undertaken by the Council and documented more fully and at an earlier stage. When considering pupil safety during the decant and reflecting the arrangements specific to Strathaven Academy, the Council could further investigate the use of attendants. In the interests of pupil safety attendants could be used for further periods in addition to the initial two weeks (for example, after school holiday periods to refamiliarise pupils with the arrangements) in order to meet and greet pupils at the pick up and drop off points and accompany them during the period of travel. Regular monitoring of the current arrangements (which operate without attendants) is also advised.

## **The Costs of Transportation**

- 7.09 Within the OBC and FBC transportation costs were included for those schools which were new builds and required the decant of pupils to alternative schools during the construction period. The decant costs associated with Strathaven Academy were not included at this stage as Strathaven Academy was still planned as a refurbishment, and therefore no decant of pupils was required.
- 7.10 Once the variant bid by InspirED was accepted and Strathaven Academy became a new build school, provisional transport costs were reflected in the proposed unitary charges for discussion and agreement by the Council.
- 7.11 The proposed unitary charge was subsequently discussed and reviewed by Council Management. As part of this review process it was noted that it was deemed not appropriate to include transporation costs within the unitary charge as this would involve paying the transport costs over a thirty year period, when costs were one off costs for no more than two years. Therefore, Education services undertook a tendering exercise for the provision of transporation for the schools where a decant was required. However, the supporting documentation of discussions surrounding the inclusion of transporation costs within the unitary charge and subsequent decision to exclude the costs from the unitary charge could have been improved.

### **Learning Point 6: Formal documentation of review of proposed unitary charge and inclusion of transporation costs**

Formal documentation should have been retained reflecting Managements review of the proposed unitary charge and subsequent amendments, and the inclusion of transporation costs as part of the decant arrangements. Reasoning for the subsequent removal of transporation costs from the final agreed unitary charge should have been formally recorded and retained at the time of decision.

## **Education Provision**

- 7.12 Undoubtedly, when considering the schools modernisation programme and the decant arrangements for pupils, there has been consideration of the pupil's educational provision. For example, five minutes has been taken off the school day at either end of the day taking into consideration pupil travel time and additional transportation to permit time for after school activities. Nevertheless, more formal and evidenced consideration of education provision was expected.

### **Learning Point 7: Education considerations**

For future projects, a more formal, documented assessment should be retained of education needs and how these were considered and evaluated.

## 8. Leisure and economic impacts

- 8.01 Due to the construction of a new build school on the existing site and the decant of pupils to East Kilbride, complainants have written to the Council stating that there will be an adverse impact on the leisure facilities currently provided in Strathaven and a potential impact on the Strathaven economy.

### Leisure facilities

- 8.02 The leisure facilities that were previously available on the Strathaven Academy site were:

#### Within Strathaven Academy

- Outdoor playing fields
- Games hall
- 2 squash courts
- Multi-purpose room

#### Leisure Centre

- Swimming pool (as part of the leisure centre)
- Fitness suite (as part of the leisure centre)

- 8.03 The facilities that were within Strathaven Academy were open for use by members of the public outwith school opening hours e.g. evenings and weekends.
- 8.04 When the new school was designed initially, a physical education department ("PE") was included within the main school building. As part of this initial plan it was intended that the previous leisure facilities attached to the main Leisure Centre e.g. games hall, squash courts would remain when the new school was built.
- 8.05 The initial design plans for the school were reviewed by community services which undertook a cost/benefit analysis of the proposed leisure facilities. This analysis took into consideration current use of the leisure facilities and the potential costs of providing duplicate leisure facilities e.g. existing games hall, squash courts as well as new facilities. Following this analysis it was determined that dedicated leisure facilities within the school were not required and the new facilities should be built adjacent to the Leisure Centre, thereby allowing both pupils and the public to utilise the facilities.
- 8.06 During the construction phase the existing building which hosts the leisure facilities will need to be demolished as existing facilities are attached to the existing home economic department; although during the construction phase, access to the swimming pool and fitness suite will remain as these are located within the separate leisure centre on the site.

- 8.07 Since the decision was taken to demolish current facilities, South Lanarkshire Leisure has been seeking to find alternative accommodation for the current regular Strathaven Academy bookings which will be affected. We understand that alternative bookings have been found and accepted for all such bookings. Alternative facilities are primarily within Hamilton and East Kilbride, some eight to ten miles away. Through discussion with Council Officers it was noted that the new West Overton Primary school which is planned to open in April 2008, will offer certain alternative leisure facilities to the Strathaven Community; this school is geographically closer than Hamilton or East Kilbride.
- 8.08 From a review of the alternative bookings made it was noted that the leisure fees which will be paid for by the regular users of the facilities, e.g. those whose bookings have been rescheduled, differ from the leisure fees payable at the previous Strathaven Academy site. For example the leisure fees for five-a-side football pitches in Hamilton and East Kilbride are nearly double the fee that was payable to use the Strathaven facilities. Therefore, during the period of construction leisure users may incur additional costs to use alternative facilities through both the higher fees and transport costs.

#### **Learning Point 8: Cost of using leisure facilities during the construction phase**

Certain members of the Strathaven Community will be using alternative facilities within the South Lanarkshire Council Leisure portfolio, which for certain facilities are more expensive than the cost incurred for using similar facilities in Strathaven. Reflecting the additional travel costs that will be incurred and as a goodwill gesture the Council could investigate the possibility of allowing Strathaven leisure users with regular bookings to use the alternative facilities at the cost they were previously paying in Strathaven, during the two year construction phase. Once Strathaven Academy facilities are complete the Council should then take the opportunity to review and align leisure charges at the Strathaven Leisure facilities with those charged at similar facilities elsewhere in South Lanarkshire.

#### **Impact on the Strathaven economy**

- 8.09 We noted a number of complaints had been raised by the public around the impact on the local economy of Strathaven, in particular the impact on local businesses during the two year build phase.
- 8.10 In a letter to MSP Andrew Kerr, dated 1 April 2005, in response to concerns raised by the Chairman of the Strathaven Business Association, Council officers stated that the Schools Modernisation programme is focused on education and not economic development. The letter highlighted that the Council sympathised with the loss of lunchtime trade, but it was not a determining factor in the project, in particular due to the fact that it is a temporary move for two years.
- 8.11 Through discussion with Council Officers it was noted that the decant was known two years in advance and this therefore would potentially allow those local businesses affected to plan the change in customer base during the two year construction period.



## 9. Engagement exercises undertaken by the Council

- 9.01 Between the overall modernisation school programme being approved by Committee in February 2003 and the decant of pupils to Crosshouse Campus commencing August 2007, the Council undertook a number of engagement exercises including information days and briefing sessions for members of the Strathaven Academy school board, pupils and parents.

### **New Build – Information road show**

- 9.02 In February 2005 Strathaven Academy's Head Teacher received a briefing on the variant bid and the subsequent new build. This was followed by a two day information road show (titled "design dialogues"), held at Strathaven Academy for pupils and parents. The aim of this roadshow was to allow parents and pupils to review the school design plans. Around one hundred and fifty people attended with thirty feedback forms being received. Although feedback received was, not necessarily in connection with the design, it was generally negative and focused on the decant arrangements, pupil safety, transportation and consideration of alternative sites.
- 9.03 There is no supporting evidence to demonstrate that feedback received was taken into consideration by Council officers at this time. Council Officers have stated that this is because the feedback did not relate to the design – the original purpose of the road shows. Management could have taken the comments received and formally considered them when received, in particular considering how the Council could address the concerns raised. This would have meant that the Council had dealt with such matters in a more responsive and timely basis, potentially avoiding much of the complaint and FOI (Freedom of Information) correspondence which then followed in the period from February 2005 to June 2007.

### **Consultation on the decant of pupils and Crosshouse Campus**

- 9.04 Between February 2005 and August 2007 the Strathaven Academy newsletter was used to communicate information arising in respect of the new build. From our review of these newsletters it was noted that only limited, sporadic updates appeared. Greater use of the Strathaven Academy newsletter could have been made in relation to the decision to have a new build and the actual decanting of pupils, keeping pupils and parents more regularly informed.
- 9.05 In early 2007 members of the Pupil Council visited Crosshouse Campus to review the condition of the campus. The general feedback from this visit, as set out in school board minutes, was that Crosshouse Campus was in a better condition than Strathaven Academy.

### Informing the public of the decant arrangements

- 9.06 In May 2007 a briefing paper entitled “Strathaven Academy – Relocation Transport details” was issued to parents. This paper contained information on the transport arrangements and a detailed question and answer section in relation to the arrangements.

#### ***Good Practice- Transport question and answer paper***

The Council took into consideration those transportation concerns raised and reflected those concerns assessed as valid by altering certain transport arrangements and amending the question and answer paper issued.

- 9.07 This was supported by parental roadshows on 29 and 31 May 2007 to provide verbal updates. Following the roadshows a revised questions and answers document was produced taking into consideration those concerns raised.
- 9.08 Prior to the decant commencing individual letters were issued to all parents (June 2007) outlining specific pick up/drop off points for their child/children.

#### **Learning Point 9: Engagement with members of the public and sharing information**

For future projects the Council should consider the merits of engaging with members of the public at an early stage and sharing information when available on a more regular basis. Greater use could be made of information events, briefings and public newsletters to inform interested members of the public of recent and ongoing events. Comments received during information events should be formally considered and responses to individual comments made as appropriate.

Overall, in terms of the consultation undertaken by the Council, given the level of queries and concerns raised by interested parties in respect of Strathaven Academy, the Council could have considered putting more extensive information and consultation arrangement in place as the process developed.

# 10. Chief Executive's Report dated 2 July 2007

- 10.01 The Chief Executive prepared a report dated 2 July 2007 entitled "Secondary Schools Modernisation Programme – Strathaven Academy". This report was presented to a special meeting of the Council on 2 July 2007.
- 10.02 This report responds to a number of concerns raised by Members in relation to the current position of Strathaven Academy namely:
- Achievement of Best Value of the Modernisation Programme;
  - Pupil projections considered;
  - Educational Continuity;
  - Transportation Arrangements; and
  - Leisure and Community facilities.
- 10.03 The report also considered two potential options for Strathaven Academy as at July 2007:
- Option 1:** Build a new school on the Kirkland Park site;
- Option 2:** Rebuild the new school on the existing Strathaven site and decant pupils to a modular village (built on Kirkland Park).
- 10.04 Through re-engaging with independent consultants and gathering required information these two options were evaluated in the Paper, in particular consideration of the potential cost implications associated with both alternative options.
- 10.05 It is emphasised that we have not undertaken a specific review of the Chief Executive's report or the costs contained therein as this was not part of our agreed remit.
- 10.06 The report considered the additional costs which would be incurred from July 2007 onwards if the Council was to change the Strathaven Academy project to the above Option 1 or 2 as opposed to the current configuration (which involves rebuild on the existing site and decanting pupils to the Crosshouse campus in East Kilbride).
- 10.07 It states that the additional cost of option 1, for building a new school, as set out in the report, would be £13.380 million. The additional cost to the Council in respect of option 2, building a modular village would be £18.552 million.

10.08 In addition, both alternative options would be dependent on a number of risk matters being resolved:

- The developer taking over Crosshouse Campus earlier than the agreed date of 2009, without penalty to the Council. The Contractor has no contractual obligation to take over the campus earlier than planned;
- To build on the Kirkland Park site (zoned currently as open space) would require a statutory consultation exercise and the outcome of this is unknown;
- Planning permission to build on Kirkland Park would need to be approved and it is notable that a number of objections were noted in relation to Kirkland Park as part of the local development plan.

10.09 In broad terms, using the breakdown of costs supplied to us with the Chief Executive's report it is apparent that the main reasons for the level of costs associated with Option 1 and 2 are:

- Inflationary and similar impacts as the main contract would need to be renegotiated to 2007 rather than 2005 prices
- Excess costs of building temporary accommodation instead of using existing Council facilities
- Site works, including improved infrastructure at Kirkland Park Site
- Costs associated with the additional statutory consultation exercise and planning permission that would be required

# Appendix A: Examples of documentation reviewed

## Examples of documents reviewed

- Outline Business Case
- September 2006 Census Data
- Condition Survey information as included in Outline Business Case
- Revised Business Case
- Audit Scotland Value for Money Letter and Accounting Treatment Letter
- Various Executive Committee papers
- Amendment SI 1988/107 to SI 1981/1557
- Paper to Executive Committee requesting approval to consult on project as part of approval of Revised Business Case (January 2003)
- Summary paper for reporting consultation exercise
- Paper to Executive Committee detailing consultation results and requesting approval of proposals (May 2003)
- InspirED bid documentation
- Paper to Executive Committee for approval of bid received (February 2005)
- Financial evaluation of bid prepared by Grant Thornton
- Result of Ombudsman investigation in relation to re-tender, decant and alternative sites (November 2006)
- Finalised Local Plan
- Planning Committee Minutes
- Consultation report on Local Plan, with makes reference to Lethame Road site (Kirkland Park)
- SAAG Proposal
- Written confirmation from legal department on land ownership for the alternative sites identified by SAAG
- Minutes of Special Planning Committee (August 2005)

#### Examples of key documents reviewed

- Paper to the Special Council meeting reporting costings of alternative options (July 2007)
- Information received from Grant Thornton detailing costings included in above paper (July 2007)
- Legal opinion with regard to the requirement for statutory consultation if using alternative site (July 2006)
- Plans showing the size of the site
- Various correspondence in response to concerns raised over the new build and the decant of pupils
- InspirED bid documentation transition management plan
- Asbestos Management Plan
- Scottish Executive guidance on school transport – Circular 7/2003
- Various correspondence to queries received through complaints and Freedom of Information requests
- Minutes of specific School Board meeting
- Jacobs Babbie report on decant issued July 2007 (Draft May 2007)
- Council Route Action Plan
- Minutes of School Transport Operational Liaison meetings
- Minutes of Secondary Schools Modernisation Transport Liaison Group Meetings
- Decant question and answer documents sent to parents, before and after the information meeting held in May 2007)
- Detailed transport arrangements for Strathaven pupils.

#### Examples of key documents reviewed

- A copy of the community services cost/benefit analysis.
- 2006/07 regular booking files to show bookings affected. Information obtained from South Lanarkshire Leisure showing all bookings having been offered alternative accommodation.
- Head Teacher briefing presentation and hand out
- Attendance sheets and completed feedback forms from the road shows held in March 2005
- Feedback forms received from design dialogues
- Strathaven Academy newsletters
- School Board minutes – February 2007
- Sample letters to parents detailing pick up and drop off times

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