

## 1. SUMMARY

- 1.1 The Council, through its Education Service, aims to strive to continuously improve the quality of education for all in Argyll and Bute. This can only be achieved if the education budget is sustainable on a long-term basis. A crucial factor in achieving a more sustainable Education Service will be the more efficient operation of the school estate. This report identifies the results of the process initiated by Members in May 2010 for reviewing the sustainability of the school estate. It also recommends Proposals for reducing the scope of the school estate including the educational benefit of proceeding with these Proposals along with efficiencies that could be obtained should the Proposals be taken forward.

## 2. RECOMMENDATION

- 2.1 It is recommended that Members:

1. Note the results of the review of the relative efficiency of the school estate properties as reported in paragraph 4 and Appendix 1 hereof;
2. Note the assessment of feasibility, reported in paragraph 4.7, which was used to generate the Proposals referenced in this document;
3. Agree to instruct the Executive Director of Community Services to take the Proposals provided in Annex 6 of the report entitled *Education Review – Review of the School Estate*, and as listed at Appendix 2 of this report, excluding the proposal to amalgamate Luing and Easdale Primary Schools, to formal statutory consultation in terms of the Schools (Consultation) (Scotland) Act 2010 and in accordance with the methodology set out in the accompanying report, *Review of the School Estate - Consultation Process* and report the findings of the statutory consultation to the Executive; and
4. Agree to delegate power to the Executive Director of Community Services and the Head of Education to procure the services of an independent consultant to support the statutory consultation process in accordance with the accompanying report, *Review of the School Estate - Consultation Process*.

## 3. BACKGROUND

### *Argyll and Bute Council's vision for education*

- 3.1 The Council's overall vision for the Education Service has the following aims:

- To strive continuously to improve the quality of education for all in Argyll and Bute.
- To become a learning organisation that is outward looking and values creativity and shared reflection.
- To promote actively partnership working and equality of opportunity.
- To ensure that resources are managed effectively and that best value is secured.

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- To equip our children and young people with the skills and knowledge they require in order to become:
  - Successful Learners
  - Confident Individuals
  - Responsible Citizens
  - Effective Contributors

- 3.2 The council faces the prospect of having to make very substantial savings in all areas of expenditure and all services have been requested to consider how they may achieve savings of around 15% of their current budgets. In the case of the Education Service budget, it is intended to undertake a review of all spending in order to identify savings that will contribute to meeting the overall target while minimising the adverse impact on the quality of learning and teaching. If Education were to achieve the 15% savings required this would equate to some £12m and Education are currently reviewing all aspects of their budget in order to identify this sum.
- 3.3 The Council's School Estate Strategy and Management Plan (SEAS&MP) notes that the condition and suitability of the facilities within which people learn contributes to their success and consequently the Council aims to ensure the buildings and facilities provided effectively contribute to the educational objectives described above and maintain the educational standards across the estate. The SEAS&MP further describes the constraints in which the Council is aiming to achieve its vision for education with requirements to meet the Scottish Government's National Education Priorities in the context of falling budgets and a declining school population.

### *Justification for the review*

- 3.4 Argyll and Bute has 80 primary schools, 10 secondary schools and 1 learning centre, comprised of 74 stand alone primary schools, three 3-18 schools, 5 stand alone secondary schools, 2 joint campuses, 1 stand alone learning centre and 2 stand alone pre-school centres with a total pupil roll of just under 12,000 and over 900 members of staff. Schools range from very small (fewer than 5 pupils) to very large (almost 1,400 pupils). Four islands have their own secondary school; children from other islands travel to the most accessible school, staying in hostels or other arranged accommodation during the school week where necessary. There is one dedicated learning centre catering for pupils with special educational needs, although most are educated in their own community in mainstream schools, reflecting the Council's policy of inclusion.
- 3.5 In terms of ongoing maintenance the 2009/10 expenditure was £882,000 which breaks down into £384,000 for statutory maintenance, £225,000 for emergency repairs and £273,000 for other planned backlog maintenance. As can be seen the funding available for planned revenue maintenance equates to around £3,300 per facility. The current level of spending on on-going maintenance falls significantly below what is required to keep the buildings in their current condition. Unless effective action is taken to reduce the extent of the estate, it will continue to deteriorate.
- 3.6 The Council has some of the poorest and most inefficient school occupancy levels in Scotland. According to the most recent edition of the Scottish Government's schools

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database, 59% of the Council's primary schools have occupancy levels under 50% with a national average of only 20% of primary schools having occupancy levels under 50%. A comparison of Argyll and Bute primary schools with 10 authorities that might also be considered rural shows that the comparator group has only 29% of its primary schools with occupancies below 50%. 70% of the Council's secondary schools have less than 75% occupancy levels compared to a national average of 33% of secondary schools with occupancy levels under 75%.

- 3.7 For Primary and Secondary schools, it is expected that there will be a reduction in the current school age population of around 12% by 2015 and by about 19% by 2020. This decline is likely to affect different parts of Argyll and Bute on a localised basis with some areas suffering a steeper decline than others. This will further decrease the levels of occupancy in schools thereby making the estate more inefficient and less sustainable.
- 3.8 Given the conditions identified above Members tasked the Executive Director of Community Services to review the efficiency of the current school estate and consider how the scope of the estate may require to be reduced to ensure it is operating on a sustainable basis while facilitating the delivery of service to meet the Council's education vision. The Education service have developed the proposals listed in appendix 2 hereof with assistance and information from other Council services.

## 4 Detailed Proposals

### *Building Efficiency*

- 4.1 It was reported in May 2010 that the objectives of this Education Review would be to better support the Council's Education vision by:
- delivering a more efficient and sustainable operation of the school estate
  - maximising the proportion of resources that are available for direct delivery of education services.
  - minimising the risk of adverse impacts on education outcomes.

In order to best achieve the objectives, the criteria previously agreed by the Executive to be applied, specified at paragraph 4.2 below, were applied to the schools estate to identify the relative efficiency of the properties.

- 4.2 Council staff took advice from the CIPFA Director of Consultancy regarding the appropriate methodology for applying the criteria to the schools themselves. The criteria to be applied are consistent with CIPFA's *A Guide to Asset Management and Capital Planning in Local Authorities* and are listed below:

1. Cost per pupil – The net cost of the school divided by the school roll;
2. Occupancy levels – The school roll as a percentage of the capacity;
3. Sufficiency – The reported total Gross Internal Floor Area of the school divided by the school roll;
4. Condition – The condition of the school as assessed against the Scottish Governments 'Core Facts' criteria; and
5. Energy use per pupil – The energy use of the school divided by the school roll.

The schools received scores out of 100 for each of the criteria. This was considered

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an objective way of comparing the school buildings and was consistent with the approach recommended by CIPFA. These scores were totalled, reviewed by CIPFA and compared to provide a ranking of the relative efficiency of the schools.

- 4.3 The results are included in the table at Appendix 1. The application of these criteria have enabled to Council to identify which school buildings offer the greater or poorer efficiency in terms of their operation. They also demonstrate a wide range of results between the best performing buildings and those with lower efficiency.

### *Proposals for altering the school estate*

- 4.4 The review of the building efficiency criteria identifies the comparative level of the efficiency / inefficiency in the current scope of the school estate and provides a baseline of information to assess the relevant improvement in overall efficiency of any particular proposal to alter the current scope of the school estate.

- 4.5 When determining whether and / or how the school estate should be reduced the Council requires to comply with The Schools (Consultation) (Scotland) Act 2010 which determines the process by which local authorities in Scotland may consider altering various aspects of education provision at individual schools. This legislation requires that authorities produce formal documents for each proposal and that these Proposals are formally consulted upon in accordance with a specific requirements and timescale contained in the Act.

- 4.6 The Act specifies matters that require to be addressed by the Council in its Proposal documents in order to comply with the Act. These include:

- Provision of an Education Benefits Statement (EBS) which considers:
  - The impact on different types of users of the schools;
  - Specific educational benefits that will accrue from the Proposal;
  - Financial and budgetary considerations; and
  - Other educational impacts.
- Consideration of the effect of the Proposal on the authority's ability to achieve Best Value and comply with equal opportunity legislation.
- Special provisions for rural schools:
  - Viable alternatives to closure Proposals;
  - Likely effect of the closure on the viability of the local community; and
  - Likely effect on travel and transport arrangements and environmental impact.

- 4.7 In order to determine the feasibility of any proposals consideration was given to whether there were any travel distance time or safety issues that would preclude the proposed changes taking place (for instance, long ferry crossings or excessive travel times). Finally, the ability of the proposed receiving school to accommodate the combined roll was assessed after analysing the likely number of classes required in session 2011/2012. Regard was also given to accommodation needs in subsequent sessions. A detailed review of the feasibility considerations is included in each of the proposal documents which are attached.

- 4.8 Based on the details above it is considered that the Proposals provided and summarised in Appendix 2, meet the requirements required by the Act and will both

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improve the sustainability of the education budget, the school estate over all as well as achieve specific educational benefits for the school users affected. The Proposals are summarised in Appendix 2 with the full documents provided in Appendix 3 of this document.

- 4.9 It will be noted that it is recommended that the proposal to amalgamate Luing Primary School with Easdale Primary School is removed from the list which was previously considered by the Council on 2 November. The journey time for this school took 49 minutes and this included a 9 minute wait on the ferry. It is considered that if the journey was being undertaken regularly a more seamless journey could be arranged to allow school transport a reserved place on the ferry with transport arrival coinciding with the ferry sailing time to bring it within the 45 minute threshold. However, it is also accepted that under current conditions, when the regular vessel, MV Belnahua, is off for annual refit, a double journey may be necessary with the back up vessel if the number of pupils exceeds twelve. In these instances the travel time would be extended beyond 45 minutes. It is considered that it would not be appropriate to recommend that this proposal is taken forward at this time.
- 4.10 The likely financial impact of each of the Proposals is shown in Appendix 2 and, if all of the Proposals were to be adopted, the likely annual recurring saving to the Council would be around £2m. If the Luing and Easdale proposal is removed the expected saving would be around £1.925m. The methodology for arriving at this impact is described in the accompanying paper, *Review of the School Estate – Financial Impact*.

### *Review Process – Moving Forward*

- 4.11 It is considered that the information contained in the Proposals demonstrates a clear educational benefit and that, over and above this, their implementation would contribute to savings required to be generated by the Education Service and so achieving a more sustainable education budget for the benefit of all school users concerned. It is also considered that the Proposal documents contain the information required by the Act in order to demonstrate that the Council has fully complied with the information requirements of the Act with specific regard to those for Rural Schools as outlined at paragraph 4.6 hereof and assessed the likely implications of closure in each instance.
- 4.12 If Members agree to take these Proposals forward a formal process of consultation will be required complying with the form and timescales included in the 2010 Act. The proposed approach to this consultation process is described in detail in the accompanying report, *Review of the School Estate - Consultation Process*.
- 4.13 The Council has received valuable support in the process to date by obtaining the services of Keir Bloomer as an educational consultant. It was considered that the knowledge and expertise of someone of Mr Bloomer's calibre has been of material benefit to the authority thus far. It is intended that the services of an independent consultant of similar experience to Mr Bloomer will be procured in order to support the statutory consultation process in accordance with the accompanying report, *Review of the School Estate - Consultation Process*. It is intended that this procurement will be contained within the current budgetary allocation and it is recommended that the Council delegate power to the Director of Community Services and the Head of Education to specify and procure the services of an appropriately qualified consultant.

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### 5. Conclusion

- 5.1 The Council has a clear vision for its Education Service which is based on striving continuously to improve the quality of education for all in Argyll and Bute. The extent and nature of the current estate, combined with real reductions in the available resources, mean that there is a real risk that the Council's vision will not be achieved. The Proposals to reduce the scope of the school estate which are detailed in this report will make a demonstrable contribution to improving the sustainability of the education service in Argyll and Bute.

### 6. IMPLICATIONS

<i>Policy:</i>	None at present
<i>Finance:</i>	Identification of a more sustainable school estate
<i>Personnel:</i>	None at present
<i>Legal:</i>	Compliance with the Schools (Consultation) (Scotland) Act 2010
<i>Equal Opportunities:</i>	None at present

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### Appendix 1 - Building Criteria Scores

This table shows the criteria applied to rank the schools with the relevant scoring of criteria and ultimate ranking of Schools in terms of their relative efficiency. The schools are ranked in this table from most inefficient to most efficient. These scores do not determine which school amalgamations should be proposed. Other factors, including educational benefits and feasibility, contribute to the decision as to which proposals should be considered for consultation.

School	Occupancy	Cost per Pupil	Sufficiency	Condition	Energy Use	Total	Rank
Ardchonnell Primary School	0	0	0	0	0	0	78
Skipness Primary School	0	0	0	0	0	0	78
St Kieran's Primary School	0	0	0	0	0	0	78
Ardchattan Primary School	7	0	0	50	0	57	77
Ashfield Primary School	17	32	35	75	15	173	76
Achaleven Primary School	11	27	37	75	44	195	75
Kilchattan Primary School	23	17	33	75	61	209	74
Lismore Primary School	13	28	30	75	68	214	73
Iona Primary School	11	30	30	75	70	216	72
Glenbarr Primary School	18	42	41	75	47	223	71
Innellan Primary School	13	57	43	75	45	234	70
Clachan Primary School	17	52	46	75	59	249	69
Ulva Primary School	17	37	53	75	77	260	68
Kilchrenan Primary School	19	51	64	75	61	271	67
Strath Of Appin Primary	28	61	52	75	62	277	66
Rhunahaorine Primary School	34	56	64	75	49	278	65
Garelochhead Primary School	20	77	41	75	65	278	64
Furnace Primary School	24	65	53	75	66	283	63
Tighnabruaich Primary School	31	66	59	75	55	285	62
Minard Primary School	24	55	54	75	78	286	61
Small Isles Primary School	22	56	56	75	80	289	60
Carradale Primary School	21	71	56	75	66	290	59
Tiree Primary School	38	73	60	50	71	293	58
Lochdonhead Primary School	22	57	68	75	78	300	57
Kilmodan Primary School	27	66	64	75	71	302	56
Easdale Primary School	34	75	71	50	75	305	55
Dunoon Primary School	39	80	63	50	78	310	54
Kirn Primary School	41	84	60	50	80	314	53
Rosneath Primary School	38	77	66	50	84	315	52
Strone Primary School	28	70	70	75	73	315	51
Inveraray Primary School	49	73	65	75	54	316	50
Drumlemble Primary School	27	72	68	75	76	317	49
Port Ellen Primary School	34	76	62	75	70	317	48
Kilcreggan Primary School	34	75	68	75	65	318	47
Dalmally Primary School	25	74	71	75	75	319	46
Dervaig Primary School	25	64	74	75	82	319	45
Achahoish Primary School	29	60	53	100	78	320	44

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School	Occupancy	Cost per Pupil	Sufficiency	Condition	Energy Use	Total	Rank
Southend Primary School	28	69	69	75	80	321	43
Luing Primary School	40	68	71	75	70	323	42
Toward Primary School	26	66	74	75	85	326	41
Glassary Primary School	29	68	77	75	79	327	40
Tarbert Academy Primar	46	84	51	75	72	327	39
Gigha Primary School	31	63	75	75	85	328	38
Keills Primary School	46	67	69	75	73	330	37
Strachur Primary School	47	78	76	50	80	330	36
North Bute Primary School	36	79	84	50	85	334	35
Luss Primary School	39	63	79	75	86	342	34
Arrochar Primary School	54	76	64	75	74	343	33
Bunessan Primary School	49	76	79	50	89	344	32
Salen Primary School	34	74	79	75	83	345	31
Cardross Primary School	53	86	84	50	80	353	30
Dalintober Primary School	43	81	71	75	84	354	29
Lochgailhead Primary School	44	69	75	75	91	355	28
Castlehill Primary School	40	82	74	75	85	356	27
Port Charlotte Primary School	41	77	76	75	87	357	26
Tobermory Primary School	43	83	71	75	85	357	25
Kilniver Primary School	44	72	84	75	82	357	24
St Joseph's Primary School	36	82	77	75	88	358	23
Arinagour Primary School	58	69	73	75	84	360	22
Sandbank Primary School	46	79	78	75	84	361	21
Kilmartin Primary School	55	76	73	75	84	362	20
St Columba's Primary School	34	78	75	100	81	367	19
John Logie Baird Primary School	49	82	77	75	85	368	18
Rothesay Primary School	39	83	68	100	79	369	17
Lochnell Primary School	42	80	84	75	89	369	16
St Andrew's Primary School	45	83	83	75	83	369	15
Dunbeg Primary School	54	80	80	75	84	373	14
St Mun's Primary School	52	83	80	75	84	374	13
Bowmore Primary School	57	77	79	75	87	376	12
Tayvallich Primary School	47	75	86	75	92	376	11
Craignish Primary School	53	71	85	75	92	376	10
Colgrain Primary School	56	84	78	75	86	378	9
Lochgilphead Primary School	49	85	73	100	76	383	8
Hermitage Primary School	54	86	82	75	87	385	7
Park Primary School	62	84	83	75	82	386	6
Ardishaig Primary School	56	82	85	75	89	387	5
Rockfield Primary School	43	84	78	100	84	388	4
Taynuilt Primary School	68	81	86	75	91	401	3
Rhu Primary School	68	86	88	75	94	411	2
Barcaldine Primary School	100	78	93	50	94	414	1



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### Appendix 2 – Summary list of Proposals

Proposal	Receiving School	Amalgamating Schools	Estimated Recurring Annual Saving (£)
1	Port Charlotte	Keills	39,401
2	Dervaig	Ulva	46,553
3	Salen	Lochdonhead	87,311
4	Rothesay	North Bute	-11,312*
5	Easdale	Luing	53,081
6	Innellan	Toward	91,352
7	Strachur / Tighnabruaich	Kilmodan	126,835
8	Hermitage Primary	Luss	61,108
9	Garelochhead	Rosneath, Kilcreggan	290,053
10	Hermitage Academy / John Logie Baird	Parklands	255,486
11	Drumlemble	Southend	94,918
12	Sandbank	Strone	102,982
13	Castlehill	St Kieran's	185,689
14	Lochnell	Ardchattan, Achaleven, Barcaldine	163,213
15	Taynuilt	Kilchrenan	27,603
16	Dalmally / Kilmartin	Ardchonnell	0
17	Clachan	Skipness, Rhunahaorine, Glenbarr	258,187
18	Tayvallich	Ashfield	65,928
19	Ardrishaig	Achahoish	7,994
20	Lochgilphead	Glassary, Minard	31,871
	<b>Total</b>		<b>1,978,232</b>

\* The Council's School Estate Strategy and Asset Management Plan has noted that North Bute Primary is in a level C (poor) condition. It would require at least £450,000 of additional capital works to improve the current condition and prevent further deterioration. The Council would require to borrow this sum in order to effect the renovations and the loan repayments would be likely to cost the Council some £35,000 per annum over a period of 20 years. This would result in a likely net recurring annual saving to the Council of around £24,000.

Nb. If the proposal to amalgamate Luing and Easdale is removed from the above as per the recommendation in the report entitled *Education Review – Review of the School Estate*, the expected saving would be reduced by £53,081 to £1,925,151.