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**REPORT TO: SPECIAL MEETING OF MORAY COUNCIL 9 OCTOBER 2020**

**SUBJECT: LEARNING ESTATE STRATEGY AND INVESTMENT PROGRAMME**

**BY: DEPUTE CHIEF EXECUTIVE (EDUCATION, COMMUNITIES AND ORGANISATIONAL DEVELOPMENT)**

**1. REASON FOR REPORT**

- 1.1 The report updates the Council on work to re-activate engagement on a new approach to developing a long term strategy for the learning estate, as approved by the Children and Young People's Committee on 4 March 2020 and seeks approval for a response to the Scottish Government on how the Council is developing the learning estate strategy, including identification of a priority project for investment as part of Phase 2 of the Scottish Government Learning Estate Investment Programme.
- 1.2 This report is submitted to the Council in terms of Section III (D) (1) of the Council's Scheme of Administration relating to all the functions of the Council as Education Authority.

**2. REASON FOR URGENCY**

- 2.1 This report is submitted to the Council on the grounds that the Convener agrees that there is an urgent requirement for the council to consider the issues before responding to the Scottish Government request for information by 13 October 2020.

**3. RECOMMENDATION**

**3.1 It is recommended that the Council:-**

- (i) notes the re-activation of engagement on a new approach to developing a long term strategy for the Learning Estate, as approved by the Children and Young People's Committee on 4 March 2020, the outcome of which will be reported to the council for consideration before the end of this year;**
- (ii) agrees to submit a response to the Scottish Government Learning Directorate on the Council's progress on developing the Learning Estate Strategy with a view to securing potential opportunities for funding to support the Council's investment in the improvement of the Learning Estate and instructs the Depute Chief Executive**

**(Education, Communities and Organisational Development) to submit the response on the basis set out in this report;**

- (iii) agrees that the above response includes the priority project identified as set out in the report;**
- (iv) approves the provision of £243,000 budget for the establishment of a Service Manager post supported by a Project Officer, Community Support Officer, Communications Officer and operational budget; and**
- (v) agrees that the section of the ten year capital plan relating to replacement and refurbishment of schools is developed in detail in tandem with the development of the Learning Estate Strategy and the priority project identified in this report.**

#### **4. BACKGROUND**

##### **SG Learning Estate Investment Programme**

- 4.1 In September 2019, the Scottish Government launched the new Learning Estate Strategy which set out a collective vision of “a Learning Estate which supports Excellence and Equity for all”. Following a request to Councils in August 2019 for updates on their learning estate work and nomination of projects, the first phase of projects to form the Learning Estate Investment Programme (LEIP) was also announced in September 2019.
- 4.2 Although Moray Council submitted a response, at that time the local Learning Estate Strategy was in the early stages of progress and prioritisation of the investment in the learning estate based on the strategy was not yet available. The bid set out the pressures of population growth in Elgin and the need to bring forward the Findrassie Primary project to address this. The project was not included in the Phase 1 Investment Programme and it is understood that this was due to the early stage of local work and that the project did not clearly meet the criteria required for inclusion.
- 4.3 The Scottish Government Learning Directorate have now written to Chief Executives of local authorities to request an update on the current situation and identification of priority projects for Phase 2 of the LEIP. A response is required by 13 October and this report seeks to prepare for that response and to re-activate planned work in the learning estate that has stalled due to the Covid-19 pandemic.
- 4.4 To be successful projects should connect people, places and learning, deliver improved outcomes for all and enable sustainable inclusive economic growth. While there is a focus on improving the condition of the learning estate, the need to respond to demographic pressures is also recognised. Projects should also meet the programme conditions and outcomes associated with high quality, suitable, sustainable, low carbon, digitally enabled learning environments. There is also an expectation of local political and financial commitment to investment in the learning estate.

4.5 These considerations have been taken into account in preparing the Council's approach to the learning estate set out below and the Phase 2 response but it should be noted that this work was paused due to Covid-19 and has not progressed to the stage where assurances can be given that all of the LEIP criteria can currently be met comprehensively. The Council's response will have a number of areas for development over the coming weeks and this will be a priority should the Council decide to take this work forward following consideration of this report.

### **Moray Background**

4.6 We have 46 primary schools in Moray and 8 secondary schools. Competing priorities and levels of local Government finance over the last 10 years has resulted in less investment in the learning estate in Moray.

4.7 The level of condition for the learning estate is summarised below it should be noted that C condition is classed as poor showing major defects and not operating adequately.

School Estate			Floor Area (m <sup>2</sup> )					No of Buildings						
Score	GIA (m <sup>2</sup> )	Count	CONDITION					CONDITION						
A-A	29,221	3	A	B	C	D	TOTAL	A	B	C	D	TOTAL		
A-B	5,924	2	64,762		76,383		141,145	23		30		53		
B-A	-	-	42%		49%		91%	43%		56%		98%		
B-B	29,617	18	SUITABILITY	14,246		0		14,246	SUITABILITY	1		0		1
A-C	-	-		9%		0%		9%		2%		0%		2%
A-D	-	-		79,008		76,383		155,391		24		30		54
B-C	76,383	30		51%		49%		100%		44%		56%		100%
B-D	-	-	TOTAL						TOTAL					
C-A	-	-	64,762		76,383		141,145	23		30		53		
C-B	14,246	1	42%		49%		91%	43%		56%		98%		
C-C	-	-	14,246		0		14,246	1		0		1		
C-D	-	-	9%		0%		9%	2%		0%		2%		
D-A	-	-	79,008		76,383		155,391	24		30		54		
D-B	-	-	51%		49%		100%	44%		56%		100%		
D-C	-	-	TOTAL						TOTAL					
D-D	-	-	64,762		76,383		141,145	23		30		53		
	155,391	54	42%		49%		91%	43%		56%		98%		
			14,246		0		14,246	1		0		1		
			9%		0%		9%	2%		0%		2%		
			79,008		76,383		155,391	24		30		54		
			51%		49%		100%	44%		56%		100%		

4.8 The Council has invested in new schools and school refurbishment where money has been available through the Scottish Government to address areas identified as the priority at that time, the funding mechanisms have tended to support like for like replacement and there has not been funding for new school capacity.

4.9 The Learning Estate requires significant investment to provide new capacity in growth areas and to bring schools up to a standard of condition and suitability that enhances the learning environment.

4.10 Previous approaches looking at the learning estate have focused on schools with falling rolls and options that surround them, however, the areas requiring significant investment that must be delivered are related to the requirements for new school capacity and addressing serious maintenance issues.

4.11 Taking a more strategic approach to these areas of investment will provide the opportunity to ensure we invest wisely and meet the educational needs across the learning estate.

- 4.12 The development of the proposal below has taken account of the Scottish Government's Scotland's Learning Estate Strategy launched in 2019, which provides a shared vision and guiding principles for the Learning Estate to better meet the needs of young people and the wider community.

## **5. PROPOSED APPROACH TO LEARNING ESTATE STRATEGY**

- 5.1 The draft document setting out the proposals for developing a strategic approach to the learning estate is provided in **APPENDIX 1**, this draft approach sets out the national position and legal aspects of schools consultation, provides Moray Council's position as outlined above and sets out a proposed approach and guiding principles to be adopted in the delivery of a Learning Estate Strategy.
- 5.2 The guiding principles mirror those of the national strategy and the approach recognises the framework of policies and strategy that already exists to deliver leadership and the quality of educational experience aspired to.
- 5.3 The approach confirms that B suitability and B condition across all elements of a school should be a minimum standard. There needs to be whole life costing and maintenance plans adequately provided for in the Council's financial planning and recognition that it may take many years to achieve this standard across all schools.
- 5.4 The approach seeks to provide a design manual for new schools and major refurbishment to provide a consistent model of teaching practice within our schools and a common understanding of how learning space is best utilised.
- 5.5 There needs to be a set standard for monitoring and forecasting growth and changes in school roll over a 15 year period to enable strategic response to change.
- 5.6 The implementation of the change management plan in property services to deliver on new build, refurbishment and maintenance aspects of the learning estate was an essential part of improving the effectiveness of provision.
- 5.7 The approach will establish a robust process of project management which will include full option appraisal and business case development to establish a Learning Estate Strategy that maximises the outcomes and benefits associated with the principles established with the Strategy.
- 5.8 Prioritisation will be based on the need for investment either for new school capacity or significant maintenance issues. In these cases as part of the investment and Option Appraisal the wider associated school group will be assessed to determine the best solution which may involve rezoning, new build, refurbishment, mergers or a combination of solutions.
- 5.9 It is important to note that until a Business Case is developed and an Option Appraisal is carried out any suggestions of potential solutions are merely speculative and simply would inform options to be considered and should not be treated as a likely or preferred option. However, the early work that has been undertaken by officers to prepare for this detailed Option Appraisal has

been taken into account in the identification of a priority project in section 6 below.

- 5.10 The Schools (Consultation) (Scotland) Act 2010 sets out the required consultation processes related to the establishment or major changes to a school including discontinuing nursery provision, a stage of education or the school, or rezoning. These considerations are taken on an individual school basis even when it may be part of a wider strategic review. The principles within the strategy support the involvement of the community in the decision making process and the Learning Estate's role within the community. An essential part of the new approach will be the community consultation process both formal and informal and this area of work is likely to require substantial input of the Community Support Unit and Communications Team as we move forward with proposals.
- 5.11 To deliver a strategic approach to a Learning Estate Strategy the Council needs to provide an appropriate level of resource to monitor and forecast changes to the school rolls, develop Business Cases, carry out the community consultation and formal consultations required under the Act and negotiate the funding arrangements.
- 5.12 This will require additional staff to be provided, this level of planning and change across the learning estate and the methodology of developing Business Cases with full Option Appraisal leading to extensive community communication and consultation has not been undertaken by the Council in the last decade. Some of this work was delivered through the previous Head of Service and a QIO and neither role now exists following budget cuts and management restructure.
- 5.13 It is proposed that a new post is established under the Head of Education Resources and Communities at Service Manager level, supported by a Project Officer (estimated grade 9) and Community Support and Communications Officer posts. It may be necessary to review and expand this team as the projects develop and this will be kept under review. Officers are also working closely with colleagues in the Northern Alliance to maximise the use of shared resources where possible.
- 5.14 Areas of immediate concern are Elgin, Forres and Buckie where primary schools are under pressure from increasing school rolls and as a minimum there will need to be elements of rezoning and associated new capacity provided.
- 5.15 Prior to the Covid-19 pandemic and lockdown, plans were in place to progress the community engagement work on the approach to the learning estate. Unfortunately this had to be postponed. It is planned to re-activate this work and to take forward the community and workforce engagement, including trades unions, which was already underway and to report back to the Council with the outcome before the end of 2020.

## **6. PROPOSED PROJECT FOR INVESTMENT**

- 6.1 Moray's learning estate is significantly lower in standard than most other authorities in Scotland with 24 schools falling into the category of "poor" for

condition. Raising the standard is a major driver behind our Learning Estate Strategy. Improving the learning environment as rapidly as we can for as many people as we can and maximising the impact of our investment is a priority. As well as providing high quality environments for those schools prioritised for development, the aim is to ensure that the building maintenance budget is used more effectively to enable a move away from the historical make do and mend policy. In this context, maximising the number of pupils learning in quality environments and addressing the pressing demographics arising from higher than average population growth have influenced the selection of our priority project below.

- 6.2 As noted in paragraph 5.9, the solutions to take forward the Council's investment in improving the school estate must be based on a detailed Options Appraisal exploring the issues and possible alternatives for each individual school and associated school group. This will require the consideration of a range of factors including projected pupil rolls, future population growth, condition, suitability and capacity of existing school buildings, and assessing options against the strategy objectives including educational benefits, meeting capacity demand and standards including carbon, digital and place making considerations.
- 6.3 Preparatory work had commenced on option appraisal work prior to the Covid-19 pandemic lockdown and it is proposed to re-activate this work and complete the detailed Options Appraisals by the end of December 2020. However, as noted above, the early work has identified pressing issues in the Elgin area where school rolls are projected to rise and there is already capacity pressure on the Elgin schools. It is planned to take forward this Option Appraisal work, including engagement with members and stakeholders by December 2020.
- 6.4 The development of a new school at Findrassie (Elgin) is proposed as a priority for the Council and the basis for this is set out below. Findrassie has been identified through the Strategic Options Appraisal of schools and ASGs across Moray. This project would immediately place up to 450 of our primary pupils into a high quality sustainable new primary campus including nursery and ASN provision and provide the catalyst for improvement across the learning estate in Elgin, which includes three 'C' condition primary schools.
- 6.5 A total capital commitment of £15.5 million is currently agreed as part of the Council's Capital Plan, with an update regarding the estimated spend due for approval by Council by end November 2020. Developer Obligations over the life of the development are expected to reach a maximum of £4,371,900. This is set against the projected spend of just over £17m for the project.
- 6.6 Elgin is the primary growth centre within the Moray Local Development Plan 2020, and the proposed new school is part of the Findrassie Master Plan (approved by the Planning & Regulatory Services Committee on 1 December 2015), which includes the integration of employment, residential and commercial development, and sport, leisure and community facilities such as an amphitheatre, sports pitches, allotments and a local hub building. Members received an update on the development of plans for the new primary school at Children & Young People Services Committee on 18 December 2019, and the Council is now being asked to prioritise the

project for investment as part of the new Strategic Approach to the Learning Estate (Project Mandate attached as **APPENDIX 2**).

- 6.7 The Findrassie Primary School project is required to meet immediate demographic changes within the Elgin Academy ASG, resulting in school roll pressures in the two largest primary schools to the north of the city (Bishopmill and Seafield) with Bishopmill expected to be at 100% capacity by August 2021 and Seafield by August 2025. However, as previously noted, the project will form part of a Strategic Programme for the two Elgin ASGs, which will address capacity, condition and suitability issues across all 11 schools in Elgin (9 primary and 2 secondary), and take account of Early Years requirements and provision for children and young people with Additional Support Needs. The initial high-level Options Appraisal for the whole of Elgin considers a number of different scenarios taking account of new builds, extensions, refurbishment, campus models and rezoning, but all possible options include the development of the new Findrassie Primary School.
- 6.8 The new Findrassie Primary School will be at the heart of the developing Findrassie community, with proximity and building design integration with the planned local community hub, and benefitting from access to shared sports and leisure facilities, community allotments, open spaces and Findrassie woods. Outdoor learning will be maximised through both the location and design of the school. Community access will also be a key feature of the design. As per the Moray Learning Estate Strategy, the new school would meet the ambition of 'A' for condition and suitability and a lifetime maintenance plan will be developed to ensure the building maintains a minimum B/B standard over 25 years or more.
- 6.9 Moray Council has recently agreed a draft Climate Change Strategy that will create a pathway for the Council to reach net-zero carbon by 2030. The Strategy seeks to ensure that capital investment decisions are based on whole life costing so that low initial capital costs are not favoured at the expense of higher ongoing carbon emission and running costs. For Findrassie Primary School the Council is including Passivhaus approaches within the detailed design options appraisals and is committed to achieving the Learning Estate Investment Programme energy target of 67kWh/sqm/pa as a minimum.
- 6.10 The new school will be fully digitally enabled across all the learning spaces, meeting the target of 1Gbps data transfer speed. Moray Council is currently rolling out approximately 1,400 devices to school aged children and young people under the Connecting Scotland programme and is developing a Digital Strategy for schools that will provide a clear rationale and plan for integrating technology (devices and software) into learning and teaching in Moray. This will enable us to capitalise on the investment in digital infrastructure across our learning estate.
- 6.11 Stakeholder engagement and consultation events relating to the new Findrassie Primary School proposals will start in November and will include statutory consultation in accordance with the Schools (Consultation) (Scotland) Act 2010. The project is currently programmed for completion by August 2024.

6.12 Moray Council has worked successfully with colleagues in Scottish Government and Scottish Futures Trust on the development of a number of projects, and it is proposed to indicate in the response to the Government that the Council would welcome the opportunity to continue to work together on the development of Findrassie Primary School, sharing lessons from the project across the national programme.

## **7. SUMMARY OF IMPLICATIONS**

### **(a) Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP))**

The Approach to a Learning Estate Strategy and any funding secured will assist the LOIP in building a better future for our children and young people in Moray and growing a diverse and sustainable economy and will advance the Corporate Plan priority reviewing and transforming the learning environment.

### **(b) Policy and Legal**

The Schools (Consultation) (Scotland) Act 2010 sets out the legal requirements for consultation on relevant proposals affecting individual schools. The proposed approach supports and encourages that process.

### **(c) Financial implications**

There is currently a backlog of maintenance on the Learning Estate of £110 million based on 2014 figures. This does not account for further deterioration, inflation or the aspirations for a digital, low carbon estate serving the wider community.

Based on the original estimate and taking these elements plus new build into account the cost of providing a learning estate that meets the principles set out in the strategy is in the region of £298 million.

Additional provision for expenditure on the Learning Estate has been made within the ten year capital plan presented to Council on 3 March 2020. This is based on high level indicative costs, and will require to be estimated in more detail as options are developed. There needs to be a pragmatic and prioritised approach to the development of the capital programme for the Learning Estate.

The Scottish Government have a new funding programme for the Learning Estate and it is proposed to discuss the Strategy with them to explore elements of the estate that could benefit from such funding, reducing the burden on the Council.

To deliver the strategy there is a requirement for a Service Manager post (estimated Grade 13 £83,258) and a Project Officer post (estimated Grade 9 £52,922), Community Support Officer, (Grade 9 £52,922) and a Communications Officer, (Grade 8 £44,300). It is anticipated that there would be peaks in the requirement for these posts throughout the project and that any capacity could be allocated flexibly to other projects within the Council's Transformation Programme, for example the ASN project



promotion of digital customer services, etc. This would therefore also provide a wider resource for council transformation until the full pace of the learning estate programme is established.

In addition an operational budget of £10,000 will be required to cover costs associated with Business Case development, analysis, legal advice and community consultation.

It is proposed that this additional budget is met from the ear-marked reserves for Council priorities and transformation in 2020/21, with future years' budget provision being considered as a budget pressure as part of the financial planning process for 2021/22 onwards.

**(d) Risk Implications**

The risk of not developing a Strategy is a piecemeal reactive approach which will not realise avoidable spend on maintenance and new build.

Without a strategic approach it is unlikely that we will be able to secure Scottish government funding towards projects.

Developing the learning estate is likely to generate a high degree of public interest and speculation about the future of individual schools. This could have an impact on parental choice, on the workforce and recruitment. The time period over which the Strategy will require to be deployed will extend uncertainty and may lead to some dissatisfaction from parents who hoped to see their local school developed. In the past, this has influenced the Council's decisions on whether to proceed with proposals regarding the school estate. It is important that there is a commitment to take this work forward and a recognition of the difficult public relations aspects that may rise. With this in mind, it is proposed to employ a Community Support Worker to help develop community relations and manage the consultation and engagement aspects of the project. A communications and engagement approach will also be developed to emphasise the investment led approach that is proposed.

If the approach is approved, there are significant risks with a programme of this scale and nature and these will be considered as the options and Business Cases are developed.

**(e) Staffing Implications**

There are no available staff resources within the Education and Resources service that could undertake this work. The development of Business Cases and levels of community consultation is extensive and will require the input of the Community Support Unit which is also under pressure and would require an additional Community Support Officer resource to help with community engagement on what can be a very controversial issues.

It is proposed to create a new post at Service Manager supported by a Project Officer, and an additional 0.6fte Community Support Officer and 0.6fte Communications Officer posts.

**(f) Property**

The Strategy puts in place the appropriate staffing resource and processes required for the development of a robust strategic approach to the Learning Estate which will enhance the educational experience of young people and ensure the estate remains fit for purpose. It will link with building maintenance plans and the Early Learning & Childcare Delivery Plan and the Moray Additional Support Needs Strategy for Schools.

**(g) Equalities/Socio Economic Impact**

The quality of the learning environment can impact on learning and attainment by as much as 16%. The condition and suitability of our learning estate and capacity challenges associated with both growth and population decline in some areas give rise to unequal opportunity across Moray.

The Strategy seeks to address this by ensuring that all Learning Estate buildings meet minimum standards and are fit for purpose.

It is recognised that the scale of the challenge and affordability issues it presents mean that it can't be delivered in the short term and the programme will be prioritised based on the need to provide capacity and address the condition of the estate together with educational benefit.

**(h) Consultations**

The Head of Education and Resources, the Head of Education (Chief Education Officer), the Head of Housing and Property, Senior Solicitor (Litigation and Social Care), the Head of Organisational Development, Tracey Sutherland (Committee Services Officer), the Chief Financial Officer and the Equal Opportunities Officer have been consulted and the comments received have been incorporated into the report.

**8. CONCLUSION**

**7.1 Developing an Approach to a Learning Estate Strategy establishes the principles and objectives that need to be considered when determining proposals.**

**7.2 The approach aims to enhance the educational experience and assist the delivery of education by providing an estate that is fit for purpose, it does this by providing the necessary resources and processes for full option appraisal, business case development and consultations on proposals.**

**7.3 The full programme of works required will need to be delivered over many years and will be prioritised based on investment need. However, an investment from the Scottish Government as set out in Phase 2 of the LEIP will be a vital component of the overall funding approach. While the overall driver is to improve the standard and condition of Moray's school estate, the pressing growth issues in Elgin provide an opportunity for investment that would provide A/A standard learning**

**environment for a significant number of pupils and would support the council in moving towards ensuring the best use of its maintenance budget to support standards across the learning estate.**

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Investment programme  
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