

MINUTES

A & B

Special Education and Families Committee Council Chamber, Town Hall, Lerwick Monday 5 December 2011 at 2.00pm

Present:

E L Fullerton	L Angus
F B Grains	T Macintyre
W H Manson	R C Nickerson
J G Simpson	J W G Wills

Also:

A T J Cooper	R S Henderson
J H Henry	G Robinson
A S Wishart	

Apologies:

L F Baisley	C H J Miller
-------------	--------------

In Attendance:

H Budge, Director of Children's Services
J Riise, Executive Manager – Governance and Law
P Peterson, Executive Manager
R Sinclair, Executive Manager – Capital Programmes
H Sutherland, Head of Finance
J Edwards, Quality Improvement Officer
S Schofield, Project Manager
J Thomason, Management Accountant
K Johnston, Solicitor
P Wishart, Solicitor
L Geddes, Committee Officer

Chairperson

Mrs E L Fullerton, Chair of the Committee, presided.

Circular

The circular calling the meeting was held as read.

Declarations of Interest

None

15/11 Anderson High School: Feasibility Report

A report by the Director of Children's Services (Report No: CS-17-F) presented the feasibility report on the Anderson High School (AHS), as part of Shetland Islands Council's (SIC) approved Gateway process, and sought resolution from the SIC as to how the project should proceed.

The feasibility report provided a comparison of the options with regard to secondary education as provided by the AHS in Lerwick, and aimed to address issues of a financial nature which arose through the consultation process to relocate the AHS

to a new, fit for purpose community school on a green field site at the Lower Staney Hill, Lerwick.

The Director of Children's Services outlined the options contained in the Feasibility Report. She thanked officers involved in preparation of it, and both the Orkney Islands and Western Isles Councils for sharing information. She went on to confirm that approval of the recommendations in the report today would mean that all other options had now been excluded, and it would provide a clear direction in order to pursue external funding.

The Director of Children's Services, Executive Manager – Capital Programmes, Executive Manager – Governance and Law, and Head of Finance responded to queries from Members. Members noted the following:

- Whilst approval of the recommendations would mean there was no budget in place to refurbish the existing halls of residence, existing building maintenance budgets could be used to carry out improvements and ongoing maintenance.
- Nationally there were discussions as to whether large halls of residence were the most appropriate settings for accommodation for school pupils, and this was something that would have to be given further consideration.
- The capital costs in Option 1 for the halls of residence were based on the square metre rate for the accommodation schedule prepared some years previously. The costs referred were lower than Orkney's costs, and took account of building costs, land purchase and the costs associated with opening up a green field site.
- The role of the Committee was to make a recommendation to the Council on an educational basis. The Council would have to consider the report in the context of its other priorities, policies and the financial impacts. Approval of the recommendations today would allow the Council to proceed with a bid for Scottish Government funding.
- The funding that the Council would be allowed to bid for would be for a percentage of a design based on national standards. Anything exceeding or outwith the national standards would require to be funded by the Council. At the moment, capital grant funding was not available, and was not likely to be available before 2015. However the Director of Children's Services advised that she would clarify the position in relation to capital and revenue funding further with the Scottish Government.
- It would not be clear until early January whether Scottish Futures Trust (SFT) funding would be in the form of a capital grant or revenue-funding scheme. What was offered would depend on the timing of the Council's bid. If the funding bid was successful, there was a requirement to follow the national procurement model. However there may be scope for some flexibility, and this would be discussed further with the Scottish Government.
- Various options had been included in the gateway process in order that Members could consider all options and have a full appraisal. Approval of

the recommendations at today's meeting would mean that the other options would now be excluded.

- The identified risks, referred to in paragraph 7.1.1 of the feasibility report, would reduce as the design progresses, and the uncertainties relating to the project decrease. It was likely that the cost of identified risks could not be included in funding being sought from the Scottish Government, but this could only be confirmed when the criteria were set.
- The opportunity to bid for SFT funding would arise in early January, so it would be late Spring before there was confirmation if the bid had been successful and further steps could be taken. Whilst it was not possible to ascertain if the Council's bid would be successful, officers had received a positive reception at their meeting with the Cabinet Secretary.
- The comments on the project made earlier by Architecture and Design Scotland related to an earlier review of the project. The report presented today was designed to compare various options in the appraisal process, and focussed on the financial and educational impacts. Architectural issues were not part of the brief of this report.
- The original project area of the school was over 17,000m², but the SFT allowance would only be around 11,000m². The original area had however included ASN provision, and there was scope for flexibility in the new size in order to allow for ASN provision.
- Some discussion had already taken place regarding the possibilities for the Scottish Sports Council (SSC) to provide financial assistance to Shetland Recreational Trust (SRT) to expand its existing facilities should the proposal to share facilities be approved. Opportunities to access funding from the SSC would be explored further if the bid was successful. It was however likely that there would be little difference between the cost of including facilities in the new build and the expansion of SRT facilities that would be required.

During the discussion that followed, Members expressed concern at the recommendation not to pursue a new build hall of residence in the meantime. It was pointed out that parents were very concerned at this proposal, and disappointment was expressed that the halls of residence had not been discussed further with the Scottish Government.

The Chair advised that the discussions with the Scottish Government so far had just focussed on the school building, and further conversations would have to take place regarding the halls of residence. However officers would check if it was possible to include the halls of residence in the bid.

It was pointed out that the feasibility report did not refer to the agreement in principle with Shetland Charitable Trust (SCT) to fund a new school under a lease back arrangement. It was felt that it was important that the Council had the opportunity to appraise this option as well as the SFT option, and that it would need to be clarified that the Scottish Government would be open to applications for assistance if arrangements had been made with SCT.

(Mr Manson declared an interest as Chair of SCT, and advised that he would take no part in any discussions relating to SCT).

The Head of Finance said that she understood that the agreement in principle with SCT would not be eligible for grant aid, but that this was an option that the Council may wish to consider for the remaining third of the funding that was required.

The Chair further confirmed that all options would be explored with the Scottish Government, including local borrowing.

Concern was expressed regarding the Feasibility Study; with a Member commenting that he felt it was seriously flawed, as it did not take account of earlier comments made by Architecture and Design Scotland. Concern was also expressed that time and money had been spent exploring the various options included in the report, when these options had already been rejected by Members and the public.

It was pointed out that the Cabinet Secretary had indicated that no capital grant money would be available, and that the Scottish Government assistance would only relate to loan charges, with the SFT acting as broker. It was questioned if Council policy would have to be reviewed, as this would contravene the Council's policy of remaining debt-free.

In response to a query, the Executive Director Governance and Law explained that once a decision had been made today, the Education and Families Committee would be the lead committee for the project, although the Council would have to deal with the question of funding. The Director of Children's Services was the Lead Officer in terms of her responsibility to the Committee.

The Chair confirmed that there would also be involvement from parent councils across Shetland, as well as relevant staff, at the appropriate stages.

Some discussion took place as to amending the recommendations in the report to ensure that the halls of residence were included.

The Chair said that whilst it was politically important to keep the school and halls of residence together, they were separate projects and it was important to treat them as such until there was clarification as to whether funding could be sought for both.

After some further discussion the Committee agreed, on the motion of Mrs Fullerton, seconded by Mr Manson, to recommend that Shetland Islands Council resolve to:

1. reconfirm the decision of June 2010 to build a new school at the Lower Staney Hill site and to include residential accommodation, subject to a funding package which is in line with the Council's Reserves Policy and Strategic Budget Plans
2. ensure that the project is affordable for Shetland Islands Council by:
 - (a) participating in the national bidding programme for investment in schools estate (which, if successful, may secure up to two-thirds funding of eligible costs)

- (b) developing the accommodation schedule to national standards, including provision for secondary young people with complex additional support needs Shetland-wide

3. take full advantage of shared facilities with Shetland Recreational Trust

4. note that participating in the national programme will require Shetland Islands Council to participate in a national partnership arrangement for design, procurement and facilities management probably through the non-distributing profit model

Decision:

The Committee **RECOMMENDED** that Shetland Islands Council **RESOLVE** to:

1. reconfirm the decision of June 2010 to build a new school at the Lower Staney Hill site and to include residential accommodation, subject to a funding package which is in line with the Council's Reserves Policy and Strategic Budget Plans

2. ensure that the project is affordable for Shetland Islands Council by:

- (a) participating in the national bidding programme for investment in schools estate (which, if successful, may secure up to two-thirds funding of eligible costs)
- (b) developing the accommodation schedule to national standards, including provision for secondary young people with complex additional support needs Shetland-wide

3. take full advantage of shared facilities with Shetland Recreational Trust

4. note that participating in the national programme will require Shetland Islands Council to participate in a national partnership arrangement for design, procurement and facilities management probably through the non-distributing profit model

The meeting concluded at 3.30pm.

.....
Chair