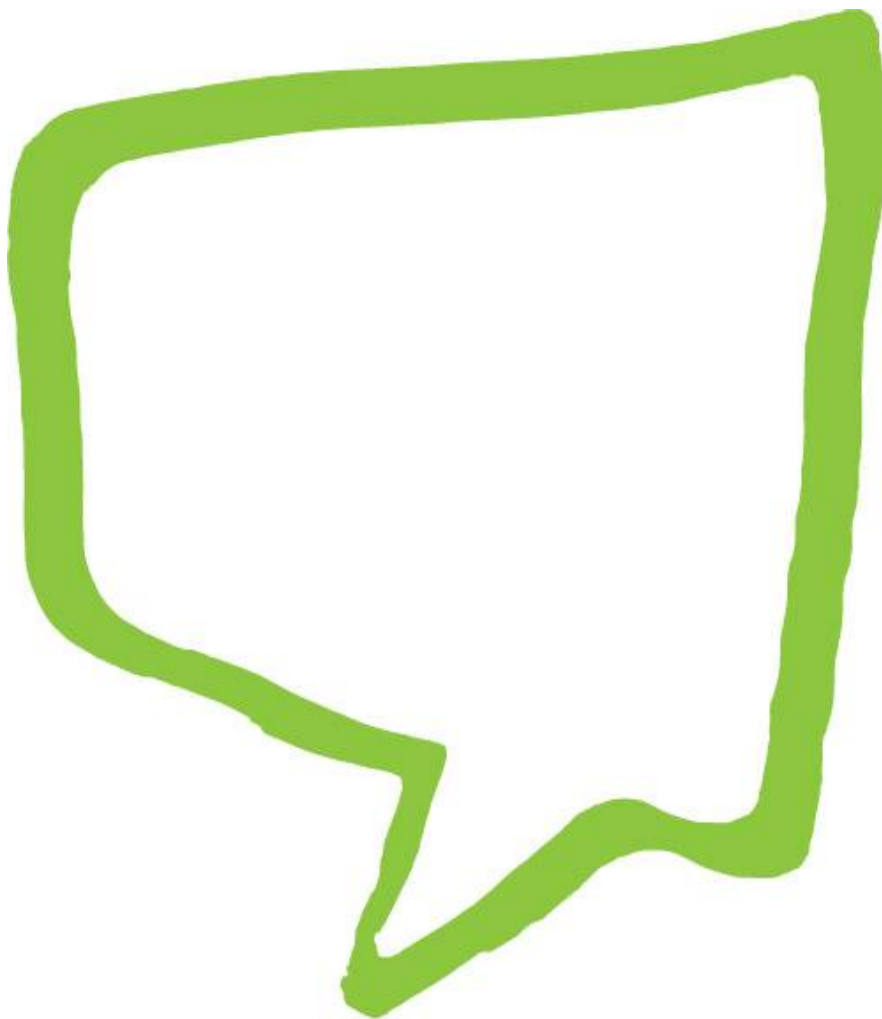


Building Schools for the Future

Essex County Council

Audit 2009/10

June 2010



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Status of our reports

The Statement of Responsibilities of Auditors and Audited Bodies issued by the Audit Commission explains the respective responsibilities of auditors and of the audited body. Reports prepared by appointed auditors are addressed to non-executive directors/members or officers. They are prepared for the sole use of the audited body. Auditors accept no responsibility to:

- any director/member or officer in their individual capacity; or
 - any third party.
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Summary report

Introduction

- 1 Building Schools for the Future (BSF) is the government's programme to rebuild or refurbish all secondary schools in England over 15 years at a cost of £45 billion. Councils take part in a series of 15 'waves'. Larger councils feature in a number of waves. BSF is intended not simply to improve dramatically the condition of school buildings but to bring about a transformation of education, as experienced by children and young people.
- 2 BSF is a unique opportunity to tackle surplus school capacity across the whole secondary school estate. It can provide not only the 'carrot' for dealing with surplus places – because it offers the prospect of significantly improved accommodation – but also the 'stick' – because funding is based on future pupil numbers, which may be significantly lower than they are now. Councils in the fourth wave - which include Essex - must demonstrate through their 'Strategy for Change' that their plans provide for only a limited and reasonable level of surplus capacity.

Background

- 3 Essex County Council (the Council) plans to refurbish or rebuild eight secondary schools in wave four of the BSF programme and to extend the programme through waves five to nine and beyond.
- 4 The Council has set out its vision in 'Essex Works', which includes a commitment to developing diverse, high quality, secondary schools in every area of the county. BSF is one of the main vehicles to deliver this vision, by reorganising secondary and special education in Essex. A new type of special school for pupils with multiple and complex needs - New Model Special School (NMSS) - is intended to widen the range of special school provision and help reduce the number of pupils who have to be educated outside Essex. BSF will also manage the supply of school places, as the number of secondary school aged pupils declines in the future.
- 5 The Council decided to focus wave four on special schools across the county and mainstream schools in the south of the county where there are some areas of greater deprivation. The intention is to deal with a fall in the number of pupils, improve poor education results and increase choice for pupils and parents. Those originally included were two secondary mainstream schools on Canvey Island; three mainstream secondary schools in West Basildon; and five special schools for pupils with profound and multiple needs across the county. However two special schools have been moved to wave five due to their current sites not being suitable and the need to find alternative locations.
- 6 Traditional ('Design and build') and Private Finance Initiative (PFI) procurement options have been considered for each of the schools. Building work for wave four schools starts in the summer of 2010.

- 7 Four schools in wave four, where the new build element is greater than 70 per cent, will be delivered through the PFI.
- Cornelius Vermuyden School, Canvey Island.
 - Castle View School, Canvey Island.
 - Chelmsford New Model Special School (NMSS).
 - Woodlands School, Basildon.
- 8 Four schools will be delivered through design and build contracts.
- Pioneer NMSS, Basildon.
 - De La Salle School, Basildon.
 - James Hornsby High School, Basildon.
 - Shorefields NMSS, Clacton.
- 9 Services for children and young people at risk and requiring safeguarding in Essex have been judged inadequate. Insufficient capacity, staff shortages and high workloads in children's services are significant contributory factors. An interim Director of Children's Services is in post and there is a major focus on improving safeguarding services. This poses a risk that other services may not receive sufficient attention including the BSF programme.

Audit approach

- 10 The objective of our assessment was to review the effectiveness of the Council's arrangements for implementing and monitoring the BSF programme and to identify how significant risks, such as financial planning, future projections and value for money, are being managed.
- 11 Our original intentions were to look at the processes in place for project management, risk management, financial management, improving teaching and learning and taking account of falling numbers of pupils.
- 12 The Council's own Internal Audit team reviewed some of the BSF work, early in 2010 as a follow up to an earlier review held in December 2008. This review's objectives are to:
- assess the actual programme and resources against those planned throughout the procurement process. Are there any delays and if so, why, and what are the implications?
 - assess the extent to which the Council is considering the implications corporately of the establishment of a local education partnership (LEP); and
 - ensure that at a strategic planning level the Council is ready for the issues and risks inherent in a programme of this size (business modelling and medium-term planning; effective partnering; operational management of the programme).

In addition, these three objectives provide assessments of value for money of the current programme and future plans.

Summary report

13 As a result of the planned Internal Audit work, the scope of work in this review by the Audit Commission was:

- how effectively the Council has consulted and involved stakeholders in the project;
- the integration of arrangements for improving teaching and learning in the project;
- arrangements for planning for reductions in pupil numbers; and
- their impact on value for money.

14 The audit approach consisted of:

- a review of relevant documentation, including reports and papers submitted to the Project Board, the Council, the Cabinet and external partners;
- a review of independent reports about the programme prepared for the Council; and
- interviews with the relevant Cabinet member, senior officers, a special school head from wave four, a secondary school assistant head from wave four and the BSF project director.

Main conclusions

15 The Council is effective in its engagement with stakeholders; planning for improved teaching and learning and planning for falling school numbers. No major value for money issues have arisen in these areas of consideration.

16 The Council has engaged well with a wide range of stakeholders who have had significant influence throughout the planning and development of the BSF programme. It has used this engagement to develop and refine strategic and detailed planning and this is continuing as schools approach the building phase. Engagement with pupils, including those at special schools, has been excellent and their views are being incorporated throughout. The decision to include NMSSs in the early waves has meant that the countywide ICT system has taken account of the needs of children with additional needs from the beginning. However, the Council recognises it has not made systematic connections with wider regeneration issues.

17 The Council has placed improving teaching and learning at the centre of its vision for BSF as part of a wider strategy to raise poor educational attainment. It is carrying this through into the detailed planning for the first wave of schools in the programme. It has invested heavily in training programmes to ensure that teachers are well prepared to make full use of the building and facilities. Personalised learning or 'learning anytime, anywhere' offers greater flexibility and mobility for pupils who will be able to access a universal ICT system from different locations and pick and mix from curricula offered by local schools and colleges working collaboratively.

18 The Council is planning effectively for projected overall secondary school pupil numbers, taking into account countywide projections, local variations and its previous experiences in planning for pupil number changes. But it has more work to do in planning for pupils with additional needs.

- 19 Capital receipts from the disposal of school sites no longer required have been used to support the programme. Improved value for money should accrue from reducing the number of pupils in out of county schools in the long term. Schools have some concerns about the higher facilities management fees in the new contracts.

Detailed report

Engagement with stakeholders

- 20** The Council has engaged well with a wide range of stakeholders who have had significant influence throughout the planning and development of the BSF programme. It has used this engagement to develop and refine strategic and detailed planning and this is continuing as schools approach the building phase. This includes:
- wide public consultation about strategic plans in localities including proposed school closures;
 - local consultation about rebuilding, relocating and refurbishing individual schools;
 - detailed planning for individual building design; and
 - each school's detailed strategies for improving teaching and learning.
- 21** Councillors have played a leading role in consultation with the public and other stakeholders over controversial school closure decisions. The Cabinet member for education has conducted public meetings early in the process in Harlow, Colchester and Canvey Island. Those consultations have influenced decisions. For example on Canvey Island, where one out of three schools was planned to be closed due to overall falling numbers of pupils, the Council was persuaded to keep the best, but smallest, school and move it to the site of Furtherwick School. On the original site there would not be enough space for projected pupil numbers.
- 22** As part of the initial preparations for BSF, schools in the south of the county in the first two waves were involved in developing an educational strategy and vision for change. They were supported by architects and educational consultants who consulted pupils, parents, governors and staff about the characteristics required of new school. This enabled schools to personalise the vision for their individual needs. Project steering groups were set up in wave four schools with key members from the school management teams, teaching and non-teaching staff, parents, pupils, governors, the school council and local residents. This engagement has helped to create a stronger sense of project ownership. Consultation over design briefs was iterative using a series of workshops to gather and hone views.
- 23** The BSF project board developed a communication strategy that sets out key stakeholder engagement, including head teachers, staff, pupils, governors, parents, the local Learning and Skills Council, the Children's Trust and district councils. The Council has a dedicated website for the BSF project which is attractive with information about individual schools and opportunities to comment on proposals. The site includes design plans and wider general issues such as closing down and combining schools.

- 24** The Council has used consultation well to encourage collaboration between schools. On Canvey Island, a consortium of all schools on the island was drawn together to develop a coherent island wide approach. The consortium worked on three main streams; design, ICT and facilities management (running the new building, maintenance and repair). The consortium produced a strategy for change and each individual school contributed to the wider picture as well as developing proposals for its own development.
- 25** The Council's commitment to improving special education and including NMSSs in the early waves has led to staff at those schools being involved with the ICT service provider at an early stage. This has ensured inclusion of specialist equipment such as use of symbols for those who don't read, touch screens and rooms that include total sensory stimulation such as using changing light colours and sounds that would have been omitted otherwise.
- 26** Engagement with pupils is excellent. Pupils from each school were taken away from the school to work on 'wish lists' that were shared with parents. These ideas were then incorporated into the design. For example at Cornelius Vermuyden school, pupils identified break out spaces, toilets on the main walkway designed to be bully proof, dining areas in different parts of school and lockers for every pupil - all of which are included. The school council represents pupils in continuing consultation through the design and build phases. Pupils from special schools were involved in the away day consultation that took account of their additional needs. The pupils consulted about Columbus NMSS identified the need for an exclusive, not multi use, assembly hall; safe toilet areas designed to prevent bullying; and more than one dining area with better food. The pupils are now choosing colours and furniture. Pupils' design proposals for each school are posted on the BSF website
- 27** The Council is taking good account of wider stakeholders' views. Once the preferred bidder had been agreed, parents and local residents were invited to a design evening where they were talked through and given a virtual tour of the new school. Concerns were raised about things like sufficient sports space being available during building work and the flow of construction traffic through the nearby streets. These were dealt with well, for example by agreeing to open up a new access point to one site exclusively for construction traffic and away from the current access used by staff, pupils and other visitors.
- 28** The Council is flexible in its approach to the programme. The Colchester schools were brought forward from wave seven to wave six following the decision to close three schools, expand others and open an academy. The BSF programme enabled the Council to communicate an improvement package for secondary education in the town and deal with the objections to the school closures. Similarly the programme has been revised in wave five so that the rebuilding of the Deans school will now incorporate the Glenwood NMSS in the same building.
- 29** The Council recognises that it had not made systematic connections with wider regeneration issues in wave four even though some had been acknowledged. For example, on Canvey Island few direct links were made with the wider regeneration plans for the area when plans for the major school changes were being developed. It intends to improve this from now on.

Recommendation

- R1** Ensure that connections with wider regeneration issues are identified and incorporated into the planning and design for schools in future waves. This may help with achieving wider corporate and shared partnership aims and offer opportunities for increased value for money.

Improving teaching and learning

- 30** The Council has placed improving teaching and learning at the centre of its vision for BSF and is carrying this through into the detailed planning for the first wave of schools in the programme. It is building in educational attainment improvement as part of the performance requirement of the BSF programme, so that the BSF partnership is not judged solely on whether schools are built well and on time.
- 31** The BSF programme in Essex is part of a wider strategy to raise poor educational attainment particularly in the south of the county. The Council prioritised the lowest performing schools for improvement based on the need to drive up performance that is not keeping pace with similar places. For example, in Colchester there are schools in special measures with high levels of vacancies. The Council is using BSF as a vehicle for wider change by closing three schools, opening an academy and rebuilding the popular, better performing schools.
- 32** Special schools were given a high priority in the first wave. This is because there is not enough local high quality provision for children with additional needs either in mainstream or special schools throughout the county. As a result too many children with complex needs are currently educated out of county. This means either travelling great distances each day or living away from home to access the necessary education. The inclusion of special schools in the early waves has provided opportunities to improve the learning environment so more children with greater needs can be included. The designs now incorporate sensory rooms, large classrooms with storage, hoists and direct links to outside learning areas that staff and pupils have said are important.
- 33** While new well-designed buildings can create increased opportunities for better teaching and learning, the Council recognised that the opportunities could only be achieved if other changes were made at the same time. The BSF programme is seen as part of an integrated approach to improving under performance which includes building capacity, for example through pairing low and high performing schools and using the executive heads from the best performing schools; using school improvement partners (SIPs) in local areas and strengthening early intervention including outreach support for schools and families. There are two additional fundamental strands of change. One is pupil based and the other is teacher based.

- 34** The pupil based strand is personalised learning - 'learning anytime, anywhere' - that will rely on the new ICT system to help transform teaching and learning through interactivity. The plan includes greater flexibility and increased mobility using hand-held mobile devices (that may be the pupils own devices such as mobile phones, ipods). Pupils and teachers will be able to access class work and individual work remotely and communal school areas such as cafes and meeting areas will be interactive. The Council expects that pupils will embrace this approach and take greater interest in and responsibility for their own learning programmes. Greater opportunities for personalised learning are being created by a single ICT system across all schools and colleges. Schools working collaboratively with each other and with the planned 14-19 vocational centres, such as in Canvey Island and Colchester, could offer pupils wider opportunities using a pick and mix approach.
- 35** At Columbus NMSS, which is based on an already excellent school with highly regarded teaching and learning, they are developing personalisation. As well as individualised timetables this will involve introducing rites of passage. The transitions from school to college or from GCSE to sixth form are examples of significant periods of transitions in pupils' lives in mainstream education. In special schools, there is often a continuous programme throughout pupils' time in school up to adulthood. The plan at Columbus NMSS is to distinguish stages of the integrated school and college experience and acknowledge and celebrate these transitions as rites of passage. Pupils will have a greater sense of achievement and progress through life stages.
- 36** The Council is investing heavily in the teacher based strand. It recognises that teachers will need training to make best use of personalised learning and the new flexible building designs. It also recognises the need for continuing in-service training for teachers. The Council is expecting the need for teaching staff to change by training them in skills and change management so they can apply these to all aspects of the BSF changes. This will include ICT scoping and development, embedding personalised learning, opening out 14-19 opportunities and championing inclusion. It has supported schools well, not just in physical design, but by part funding temporary BSF teaching staff who are project managing the preparation for new teaching and learning.
- 37** In anticipation of the changes, the Council, schools and the design company have invested in training and training facilities for staff. This includes eight days with an educational manager who will coach and mentor staff to work with the new technology. In Cornelius Vermuyden School a new training room for staff is being built. It incorporates one-way screens and filming opportunities so that staff from wave four can be trained and try out new teaching techniques before the schools are ready. It will then be used for training staff from other schools in later waves. Classroom design will be flexible; not having conventional spaces, using break out spaces, so that pupils will take responsibility for their learning. Some spaces will be large such as super labs and forums holding 60 learners. Teachers will not be based in their own classrooms but will be timetabled to the most suitable space for each session. Schools have already drafted timetables for the first year of the new schools.

Planning for reductions in pupil numbers

- 38** The Council is planning well for projected overall secondary school pupil numbers, taking into account countywide projections, local variations and its previous experiences in planning for pupil number changes. But it has more work to do in planning for pupils with additional needs.
- 39** The School Organisation Plan shows secondary school numbers dropping from 23,230 in 2006 to a projected 21,690 in 2016. In calculating these figures, the Council has considered historical feeder school patterns, historical sixth form staying on trends, population forecasts and planned housing developments. The planned changes that include the BSF programme aim to provide 23,000 places. This would give a surplus of 6 per cent enabling parental choice in a diversity of provision.
- 40** Local variations have led to local plans. Two schools in Basildon and a sixth form college will close and be replaced by two academies resulting in a fall of 600 places. On Canvey Island the number of schools will reduce from three to two with one school increasing capacity by 300 places but with an overall drop of 800 places. However the Council is understandably cautious in its decision making over pupil numbers planning. Detailed and well-intentioned changes in Clacton several years ago, where take up of a new school was much lower than expected, has affected the approach. It is building in contingency measures, for example should numbers on Canvey Island be greater than predicted, there will be enough physical space to extend the new schools.
- 41** The Council has integrated pupil place planning with the need to improve educational outcomes in the short term and providing suitable provision for the long term future. Its commitment to increasing diversity of provision that is demonstrated by plans for greater inclusion of disabled and disadvantaged pupils in mainstream schools as well as developing special schools, keeping different kinds of schools and sustaining rural schools. It sees BSF as a continuation of the earlier building of vocational centres with schools, academies and intervention where schools are causing concern.
- 42** One area where pupil planning is less well developed is for children with additional needs. The Council is behind others in some aspects of dealing with special and additional needs. It has not yet changed the practice or culture of resources being linked to formal special educational needs (SEN) statements and so parents are encouraged to take this route. It intends to delegate SEN funding direct to schools so they can provide additional support to pupils without the need for statements, leaving that system to focus on those in greatest specialist need. The Council is trying to gain a better understanding of what leads to the broad movement of pupils away from mainstream schools into special schools and from its own special schools into out of county special schools. It has commissioned external consultants to look at those flows and is not yet in a position to plan properly for need and to change cultures.
- 43** The Council plans to develop a range of special provision in each of its four localities comprising NMSSs for pupils with complex needs, BESD schools for pupils with behavioural emotional and social difficulties and a Community Learning in Partnership (CLiP) school for pupils who have moderate learning difficulties with complex additional needs such as the growing number of pupils on the autistic spectrum. Children with moderate learning difficulties will be in mainstream schools.

- 44** The Council does not envisage a mass movement of pupils with additional needs currently placed out of county being brought back into the NMSSs. It expects fewer being sent out of county in the future, so that existing educational experiences are not disrupted and schools can build their expertise in managing more demanding needs and situations.

Recommendation

- R2** Ensure that pupil place planning for pupils with additional needs is robust. This should include:
- an accurate assessment of numbers in each NMSS, BESD school, CLiP school and mainstream school taking into account the planned shift on the school spectrum so the dependence on out of county schools is reduced to a minimum; and
 - pupils with additional needs being accommodated in at least mainstream schools without the need for SEN statements - this will require the uncoupling of some funding for additional support from the SEN statement process.

Value for money

- 45** This section is not intended to consider the major value for money issues of the BSF programme, such as whether the best decisions have been made about PFI or design and build options or preferred bidders. It is intended to consider whether any value for money issues have arisen directly from considering the three other areas of focus.
- 46** Planning for reductions in pupils numbers includes improving value for money. The Council has identified the need for reduced capacity overall and is planning to provide a net surplus of 6 per cent of places. The number of sites will be reduced and disposal of sites has been used to generate capital to contribute to the overall costs of the programme. For example, the disposal of part of the site of James Hornsby School in Basildon preceded the start of the BSF programme. But the capital funding allocated to the school from the disposal was held, to ensure that it could be used to develop the schools facilities. The amalgamation of two schools to form the Chelmsford NMSS frees up the former Hayward School site. The proceeds from the intended sale are planned to be used to support implementing the wave four programme. However, the Council is not dependent on capital receipts from the sale of all redundant school sites to fund the programme. The approach has been to take opportunities to use the sites differently. On Canvey Island the redundant school site is planned to be used as a vocational centre in partnership with SEEVIC College.
- 47** The NMSSs are planned to take pupils with complex needs. As many of these are currently placed out of county, this should reduce costs and keep disadvantaged children closer to home. However, as there no plans to disrupt the schooling of pupils currently placed out of county any improvements in value for money would not be fully realised in the short term.

Detailed report

- 48 Cornelius Vermuyden School negotiated free installation of a new training room for staff by the ICT supplier as it will be used as a demonstration area for later waves.
- 49 Schools have concerns about higher facilities management fees, being tied to one supplier and being tied to a fixed fee. Some are trying to negotiate fees tied to pupil numbers. In one school the fee for facilities management and ICT support will rise from just over £300,000 to just over £400,000 a year. Schools have concerns about the contract tying them into the single supplier. However it does mean that schools do not have to manage the facility and can hand over those continuing issues.

Appendix 1 – Action Plan

No.	Recommendation	Priority	Link to evidence	Link to relevant standards	Positive outcome expected (savings, reduced risks, better value for money)	Consequences of failing to implement recommendation	Cost of recommendation (where significant)	Date reported to the Board	Officer Responsible	Implement by when
9	R1 Ensure that connections with wider regeneration issues are identified and incorporated into the planning and design for schools in future waves. This may help with achieving wider corporate and shared partnership aims and offer opportunities for increased value for money.	High	Data underlying various corporate and directorate plans. Eg -CYPP -LAA -Essex Works -BSF SFCs and OBC Research undertaken by the LEP as part of Competitive Dialogue Collaboration Charter Schedule 14 LEP Strategy Maps and Business Plan	Data underlying various corporate and directorate plans. Eg -CYPP -LAA -Essex Works -BSF SFCs and OBC Research undertaken by the LEP as part of Competitive Dialogue Collaboration Charter	Improved alignment and integration across funding streams and between partners and stakeholders leading to Improved efficiency and better value for money. Significant value added provision delivered through the LEP (cf the collaboration charter and Schedule 14 objectives)	We don't achieve the value added provision in relation to regeneration activities that support the broader objectives in relation to BSF Our Educational objectives in relation to sustainable Transformation of standards will be difficult to achieve A number of CPTs and KPIs will be at risk	Not Significant Cost is largely related to time elements of the SDT Partnership Officer and that of Partners engaging	Reporting is part of the formal LEP governance structure le -The SPB -The Community and Regeneration Trust Board -The LEP Board .	GP/RAH	Ongoing

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				Schedule 14 LEP Strategy Maps and Business Plan	Reduced risk of not achieving KPIs and CPTs related to regeneration and educational outcomes School Designs reflect community provision opportunities	Key risks relate to duplication of provision, provision that could have been improved with greater “joined up” planning, provision not put in place		There are quarterly reports provided on performance of the LEP and Gateways at key stages		
12	R2 Ensure that pupil place planning for pupils with additional needs is robust. This should include: <ul style="list-style-type: none"> an accurate assessment of numbers in each NMSS, BESD school, CLiP school and mainstream school taking into account the planned shift on the school spectrum so the dependence on out of county schools is reduced to a minimum; and 	Medium	Our hypothesis is that NMSS/BESD schools could meet the needs of the most severe and complex SEN with funding that enabled them to reduce class sizes below 10. Target is 6/8. this is linked to our BSF vision and strategy. Similarly CLiP schools are meeting the needs of an increasingly complex group.	NI 104/105. SEN/ non-SEN gap. Children with statements achieve better than our SN	Vulnerable children remain close to those that care for them. Costs reduce and outcomes improved. Reduces spend for Adult social care in the future.	Rising costs are not contained. Our own provision begins to lose skills of most complex needs.	Initial invest to save. Mouchel will identify costs of proposal.	TBC	Gary Pocock	April 2011

Appendix 1 – Action Plan

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	<ul style="list-style-type: none"> pupils with additional needs being accommodated in at least mainstream schools without the need for SEN statements - this will require the uncoupling of some funding for additional support from the SEN statement process. 			NI 104/105 Children's needs met to frequently by attaching and LSA rather than effective provision management and capacity building in the school workforce.	Managing the SSEN funding process is bureaucratic and criticised by heads. We need headteachers to manage the resource themselves from within consortia.	SSEN continue to rise. Parental confidence in the SEN system diminishes.	Cost neutral as all costs contained within DSG on a needs lead budget.	TBC	Gary Pocock	April 2011

The Audit Commission

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