

The Presiding Officer  
States of Guernsey  
Royal Court House  
St Peter Port

30 August 2019

Dear Sir,

**Scrutiny Management Committee - Commentary on the Committee *for* Education, Sport & Culture: Transforming Education Programme & Putting into effect the Policy Decisions made by the States in 2018**

**Introduction**

This Letter of Comment from the Scrutiny Management Committee is submitted in accordance with Section 3 (19) of the Rules of Procedure.

In this Letter of Comment the Scrutiny Management Committee avoids revisiting policy decisions previously made by the Assembly and restricts itself to commenting objectively on the strengths and weaknesses of the case being made within the Policy Letter plus supporting material recently provided by the Committee *for* Education, Sport & Culture and placed in the public domain. The focus of our comments will be on the gaps we have identified in the case set out in the Policy Letter and supporting material.

This Committee considers that the absence of any effective cross referencing in the information contained in the Policy Letter, the Programme Business Case, the Peter Marsh Consulting Report and other supporting information has made the task of scrutinising these proposals unnecessarily complicated and time consuming.

The Scrutiny Management Committee also has concerns regarding the timing of the preparation of the Programme Business Case, the first draft of which appears to have been produced some time after the publication of the Policy Letter.

## **Delegated Authority to Policy & Resources Committee**

The Assembly rightly expects a high level of scrutiny of major capital projects and a fundamental concern for the Scrutiny Management Committee is that the case made in this Policy Letter fails to provide the required level of detail that would make effective scrutiny possible by the Assembly.

In relation to the Propositions on which the States are asked to vote, the Policy Letter amounts to a “Programme Business Case” for the entirety of the Transforming Education Programme, rather than outline business cases for each individual project. The Policy Letter gives no indication that the Committee *for* Education, Sport & Culture intends to return to the Assembly with completed outline business cases for each of the individual component projects. The inevitable consequence of the Committee *for* Education, Sport & Culture submitting such a high-level document will be to delegate all further scrutiny to the Policy & Resources Committee and their officers. In these circumstances arguably it would be premature to agree to release finance on such a substantial scale and in so doing preclude any further public scrutiny of the individual component parts from taking place within this Assembly.

We believe the financial figures are, at best, indicative estimates presented with limited justification; this is particularly true of the proposed revenue savings. The Policy Letter and supporting information does not provide the detailed financial data that we would have expected to be contained in a document of this type; specifically, we have significant concerns regarding the basis on which the anticipated financial benefits resulting from undertaking the proposed projects have been arrived at. The estimates of the costs associated with the major building projects strike us as little more than raw volume-based building estimates and are not based on detailed and agreed plans which relate to the purposes for which the proposed buildings will be used.

The Scrutiny Management Committee is also concerned to note that the rebuild options for La Mare De Carteret Primary School, which have the potential to impact significantly on the future of other primary schools, have not been adequately considered or subject to expert analysis and review. This proposed development creates significant uncertainty over future primary school education policy because the estimated costs indicate that no decision has been made on whether the proposed school will be a two or three form entry. It appears the implications for other primary schools have not been considered in a strategic context despite significant public interest and concern that this potential rebuild could lead to the closure of other existing primary school facilities.

This Committee considers that the inclusion of the proposals relating to the Digital Roadmap seem counter-intuitive when the Assembly has only recently approved the

Future Digital Services Policy Letter and the resulting contractual relationship with Agilisys.

This Committee notes that in a number of the Propositions, there is a clear delegation of authority to the Policy & Resources Committee subject to 'the submission of appropriate business cases'. As such, we can only assume that, other than the Committee *for* Education Sport & Culture, the Policy & Resources Committee will therefore be the final arbiter, not only on cost, but also on a range of other factors that may or may not be included in these additional business cases.

The Scrutiny Management Committee is conscious of the high-level of oversight responsibility this places on any future Policy & Resources Committee, together with a reliance on the internal States Capital Investment Portfolio (SCIP) gateway processes.

In summary, this Committee has serious concerns that the set of Propositions laid before the Assembly may take us beyond the accepted understanding of delegation of authority to the Policy & Resources Committee and lack transparency. This Committee also has reservations that, should such delegated authority be granted at this stage, the result could have a substantial negative impact on the capital allocation process for other potential future projects.

### **Programme / Project Management and Scheduling of the Projects**

The Scrutiny Management Committee has significant reservations concerning the capacity of the personnel of the States of Guernsey to undertake such a comprehensive transformation programme which includes four major capital building projects to be undertaken in a relatively short period of time. The recently approved Hospital Modernisation development involves a major capital building programme which is also likely to be undertaken over a similar time period.

This Committee is mindful that to have such an extensive portfolio of major projects running simultaneously is inherently risky and that fulfilling demand will place considerable pressure not only on the local building industry creating an unhelpful 'boom or bust' environment, but on the Island's infrastructure more generally.

In our collective opinion if the programme is viewed objectively it is difficult to understand the rationale behind the scheduling being suggested; specifically, why the facilities that appear in the worst state of repair (La Mare De Carteret High School and certain College of Further Education sites) are timetabled for development at the end of the programme, whereas the Les Beaucamp and St Sampson's High Schools, the newest buildings in the educational estate, are being prioritised for development at the first stage of the programme. This Committee also remains unconvinced by the evidence

provided in the documentation to justify the Committee *for* Education, Sport & Culture's decision regarding the choice of sites for the two 11-18 colleges.

This Committee is therefore concerned that the sequencing of the capital build projects is as a result of political prioritisation rather than an objective desire to replace the facilities that are in the worst state of repair.

### **Contract Risks**

The Programme Business Case rightly identifies the risks associated with embarking upon such a major construction phase within a short time period; i.e. four major construction projects for the Committee *for* Education, Sport & Culture alone, all to be commenced within two years, even before allowing for other States' construction projects such as the Hospital Modernisation Programme.

This Committee notes that although the Programme Business Case correctly identifies this problem, it makes no attempt to assess it or mitigate the risks. None of the information supplied clarifies whether the Committee *for* Education, Sport & Culture has carried out any activity to determine the ability of the local construction industry to be able to respond to the proposals. The problem is exacerbated by the (understandable) desire on the part of the Committee *for* Education, Sport & Culture to place the contracts with local contractors.

We also note the Programme Business Case does not identify clearly whether a single contract and tendering process will be proposed for the construction of both the chosen 11-18 school sites or, whether there are to be separate contracts for each. This Committee has concerns that, based on previous experience, even if the Committee *for* Education, Sport & Culture was able to attract three tenders for the secondary school project, it is unlikely that the same three contractors would be available to tender for the subsequent projects planned within this programme. Therefore, we question whether the Committee *for* Education, Sport & Culture is confident there are sufficient locally based contractors who possess the required competency to provide the detailed design work required to complete the tendering process.

### **Planning Considerations**

Notwithstanding the fact that the Committee *for* Education, Sport & Culture has suggested it will seek preliminary clearance with the Planning Authority on a "letter of comfort" basis, it appears that the responsibility for obtaining all necessary planning consent (and potentially the cost of any planning delays) will rest with the contractor. We believe that, based on previous experience, there is a real potential risk that planning issues could lead to significant delays and additional expense. Further, that the

likelihood of this is increased by the potential for difficulties to arise over matters such as traffic amelioration, details of which have not yet been released.

### **Transport**

The Scrutiny Management Committee believes that it is unclear from the information provided in the Policy Letter whether the estimated annual saving of £800,000 includes any allowance for potential additional costs that might arise from the transport provider having to accommodate the proposed extension to the school day on three days per week.

### **Transition Costs**

This Committee believes that to ensure effective analysis of the alleged cost it would be helpful if the Committee *for* Education, Sport & Culture could provide a full breakdown of the transition costs that may be required to implement the new system of education. In particular we believe based on previous experience that the Assembly may need to contract or redeploy significant additional project management expertise at significant cost to ensure a successful outcome.

### **Savings**

The Scrutiny Management Committee is disappointed that the information presented regarding the savings associated with this project is very limited. The alleged potential savings are very small in the context of an investment on the scale of the total capital cost of this project.

This Committee remains disappointed and frustrated that any savings appear to assume current levels of maintenance on a percentage basis despite the fact that it could be argued that insufficient maintenance has contributed to the poor state of repair of our current educational estate. We suspect that if the estimates were set at a realistic level to ensure expected longevity of the assets then the meagre anticipated savings would be minimal.

Additionally, the majority of the cost savings appear to be generated by the creation of the Guernsey Institute rather than the introduction of the one school/two colleges model.

The Scrutiny Management Committee also considers it surprising that the introduction of the one school/two colleges model does not appear to result in any reduction in the number of senior management posts required. In our opinion it seems reasonable that the number of management roles in one school on two sites when compared to four schools could be rationalised in the new model. However, based on the information

presented the proposed consolidation of secondary education in a single school on two sites appears to result in no reduction of management posts or any resulting savings regarding the need for a smaller number of senior teachers.

### **Effective use of the Assets**

This Committee is mindful there remain a number of potential options for site utilisation that have not been considered in any of the documentation; for example, the use of the Les Varendes site for other educational purposes such as the location for a new Guernsey Institute.

We are also mindful that the future usage of any vacated sites should be a strategic matter of estate utilisation led by the States' Trading Supervisory Board and, with an Estate Rationalisation Programme already in place, it would appear appropriate that the future use of land should be considered holistically.

### **The Guernsey Institute**

This Committee believes that the information provided does not have sufficient detail to enable a full understanding of how the proposed Guernsey Institute will work in practice, nor does it clearly identify and evidence how student figures will be increased. No evidence or research is referenced regarding how the proposed Guernsey Institute can start to address the local skills gap. In addition, no evidence is presented to justify the assertion that the new organisation can realistically attract overseas paying students.

### **Curriculum**

This Committee is surprised that the introduction of a new curriculum is being proposed during this time of major transformation within Education. The curriculum has only recently been updated and any further change to this would provide further upheaval for both pupils and staff.

We believe there is a need for a strategic alliance encompassing the work undertaken by Skills Guernsey if any future skills gap within the Bailiwick economy is to be addressed.

### **Conclusion**

In conclusion, the Scrutiny Management Committee is concerned that the proposals lack sufficient detail to allow proper, effective consideration. We believe there remains an absence of vital information; and, that most if not all of the proposals would benefit from further scrutiny by the Assembly, especially the individual project business cases

relating to redevelopment of La Mare de Carteret Primary School, the Digital Roadmap and developing the Guernsey Institute. Therefore, we cannot offer Members any assurance about the proportionality and value for money of the proposed capital expenditure on the evidence presented nor on the feasibility or accuracy of the potential savings or ongoing costs.

We conclude that inclusion of the other projects in the Policy Letter presents a potential impression of 'piggy-backing' on the 11-18 school/two colleges reorganisation. The risk is that in approving the whole programme, elements which would not have had the same priority as the 11-18 school/two colleges are also given approval. Importantly, this may then have the effect of pre-empting future capital spending in other areas which arguably may deserve higher priority.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'CJ Green', with a horizontal line underneath.

Deputy Christopher Green  
President of the Scrutiny Management Committee