

**Draft Scrutiny Inquiry Final report
Meadowfield Primary School
February 2010**

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Introduction and Scope

Introduction

1. In January 2009 Mike Shaw, Chair of Governors at Meadowfield Primary School, presented a request for scrutiny to the full Board.
2. Meadowfield Primary School and Children's Centre opened in a new building in November 2005, following the merger of two Primary Schools. The Chair of governors explained that there had been a long history of dispute with Education Leeds about certain aspects of the building project.
3. In addition to presenting his request at the Board, Mr Shaw provided extensive background information regarding the history of his concerns to the Chair of the Scrutiny Board.
4. The Scrutiny Board decided that the best way to progress the request was to appoint a small working group to consider the background information provided, and then make a recommendation back to the full Scrutiny Board regarding what specific areas a scrutiny inquiry should focus on.
5. The working group met with Mr Shaw and a senior officer from Education Leeds to explore potential areas that the Board might usefully scrutinise.
6. Having reviewed the information submitted by the Chair of Governors, the working group agreed that there were a number of issues that merited further scrutiny.
7. Whilst it was agreed that the focus of any scrutiny work should be on ensuring that future relationships and responsibilities are clearly defined for

the benefit of future similar school building projects, the working group also identified two specific aspects of the Meadowfield project that members felt warranted further investigation.

Scope of the Inquiry

8. The Scrutiny Board agreed with the working group's proposed remit for this additional work:
 - Project management arrangements for building projects, and complaints procedures for managing the relationship between schools and Education Leeds.
 - How school/company relationship issues are covered by the accountability arrangements between Education Leeds and Leeds City Council.
 - The costing of fees for the three schools project which included Meadowfield Primary School.
 - The playing field at Meadowfield Primary School.
9. The working group subsequently met on two further occasions to consider the specific aspects identified for further inquiry.



Conclusions and Recommendations

Project Management Arrangements

10. From our own experience as governors at schools experiencing building projects, we acknowledged that it was almost certain that there would be some snags and changes during the lifetime of a project, and that all parties needed to work together to find a satisfactory and realistic outcome, despite the disappointment and frustration we might feel at times.
11. Whilst the building of a new school offers choices about design decisions, there is also the challenge of financial limitations. As the project progresses and the specification is tightened up, costs can be more accurately identified, and choices have to be made about what can be afforded within the overall budget.
12. Officers accepted that the management of expectations from the available funding had not been well handled in this case, on the face of the evidence provided.
13. New ways of working should ensure that these issues are more clearly understood by all parties in current and future projects, with schools more closely engaged at every stage of the process.
14. A handbook was being developed for schools and governing bodies, which will set out what each partner in a Building Schools for the Future (BSF) project could expect from the others. This could usefully be extended or replicated to cover other building projects.
15. None of the improvements could guarantee that a school would be happy with all aspects of a building project, but it should ensure that they are involved in deciding the best way forward.
16. In particular, we learned that a tailored project management process, based on the widely recognised PRINCE2 system, was introduced by Education Leeds during 2006/07. This is similar to the 'Delivering Successful Change' process adopted by the Council, which is also based on PRINCE2 methodology.
17. This process should ensure that all parties including stakeholders and procurement partners have a common understanding of the following key elements of a project:
 - Organisation and governance arrangements
 - The timing of the programme and the activities to be undertaken
 - The level of responsibility, authority and accountability of those involved
18. Formal controls are built in to ensure proper communication takes place; that changes to the project are properly managed; and that risks are addressed. School projects over £2m in budget have a Project Board including the Headteacher and a governor representative.
19. The application of the project management process is also separately quality assured for each project.



Conclusions and Recommendations

20. In particular we welcomed the commitment to improved communication and stakeholder engagement, including clarity around expectations and the scope of the project.
21. The process is based on a customer/client/supplier relationship, where the school is the customer, but Education Leeds is the client who specifies the project.
22. Education Leeds provided copies of correspondence from Bankside Primary School - a current building project – endorsing the Project Board approach and project management methodology now used by Education Leeds.
23. This correspondence highlighted how the Project Board approach had secured school and governor buy in to the process and “allowed the school to understand the complexities and challenges of project management as co-drivers in the process rather than baffled bystanders”.
24. The working group was also provided with a file of documents containing examples of the new project management process in relation to five other school building projects. Copies of reports, meeting minutes and correspondence were included to demonstrate how problems arising during the projects or the subsequent snagging period were responded to in line with these new procedures. The intention was to demonstrate an improved and systematic process for addressing such issues. Everyone agreed that such procedures should produce a much more satisfactory experience than had been the case with Meadowfield Primary School, which pre-dated their introduction.
25. Members commented on the frequency of unforeseen site issues arising once construction started, and the subsequent demands on contingency budgets. Officers confirmed that contingency budgets are usually set at a level shaped by experience and industry norms. These budgets exist to manage unplanned expenditure and to be able to respond to changes in any project specification, against agreed criteria.
26. Officers assured us that several of these examples had started to be developed before the new project management methodology had been brought in, and that the new methodology had therefore only been applied to later stages of the project. More detailed planning and investigation of potential risks now took place up front. Nevertheless, it was still a challenging area given the pressure on budgets, and the cost of changes once a design had been ‘frozen’.
27. Education Leeds officers also stressed that part of the project management process now includes proactively reviewing lessons from each individual project to be implemented in future projects.
28. We considered the Education Leeds complaints procedure. This is a general procedure and is available to schools as well as to individuals. However, the Chair of Meadowfield governors pointed out that schools were not able to take their complaints to the Local

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Conclusions and Recommendations

Government Ombudsman as advised in the procedure for complainants dissatisfied with the outcome of the Education Leeds stage 2 review of a complaint.

29. We agreed that, as currently written, the Education Leeds complaints procedure is not applicable to schools in the same way as an individual customer, particularly in relation to the independent stage three involving the Local Government Ombudsman, which is not a route available to a school. Schools needed a route to resolve complaints about Education Leeds, including complaints relating to building projects.

Recommendation 1 – That Education Leeds revises its complaints procedure to incorporate a specific section for school complaints, including an appropriate third stage review process.

Leeds City Council/ Education Leeds Relationship

30. We received information about the accountability arrangements between Education Leeds and Leeds City Council. We were told that the framework for the accountability arrangements derives from the contract that exists between Leeds City Council and Education Leeds. Two senior council officers sit on the Board of Education Leeds and the Chief Executive of Education Leeds is a member of the council's Corporate

Leadership Team. Education Leeds is accountable for meeting certain performance targets and for delivery of relevant elements of the Leeds Strategic Plan in a similar way to departments of the City Council.

31. We were particularly concerned in this instance with how the accountability arrangements would address any relationship issues between schools and Education Leeds.
32. It was explained to us that such issues could be raised, by either party, at the monthly accountability meetings between the Deputy Director of Children's Services (formerly the Chief Education Officer) and the Chief Executive of Education Leeds. In such cases the Deputy Director of Children's Services would look to work with Education Leeds to secure a productive way forward, taking an objective view of the matter.
33. We learned that Meadowfield Primary School had been discussed at these meetings on a number of occasions dating back over several years, although Mr Shaw had not been aware of this until December 2008, when he was provided with a copy of a letter from the council's Chief Executive to the council's external auditors, KPMG, which referred to these meetings.
34. This information had been provided in response to the auditor's query about accountability arrangements following an approach from Mr Shaw about his ongoing concerns. The external auditor concluded that this was the only aspect of Mr Shaw's concerns over which he had jurisdiction, and he was satisfied with the response provided by the council.



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Recommendation 2 – That the revised complaints procedure referred to in recommendation 1 includes information about how a school may refer a matter such as a building project concern to the accountability arrangements between Education Leeds and Leeds City Council.

38. We agreed that it was important that the documentation on building projects clarified the amount of fees to be allocated from within the budget so that all parties were clear at all stages how much funding was available for other aspects of the project.

Recommendation 3 – That Education Leeds ensures that the amount of fees to be allocated from within each building project budget is made clear to all parties.

Fees

35. The point of contention regarding fees was whether, as suggested by Mr Shaw, the school project was scaled down as a consequence of the three school scheme not having been costed to allow for professional fees.
36. Officers stated to the working group that a framework contract for consultants was set up by the City Council following formal procurement; this framework provided a consistent and fixed fee arrangement for all projects. This fixed fee was set at 10% of the budget with a further nominal allowance to include for planning permission, building control and site supervision.
37. The Chair of Governors provided correspondence from 2004 which acknowledged that a misunderstanding about whether or not figures included fees had meant that minor changes had to be made to the external design for the school, although it was stressed that none of the key features of the design had been compromised. The letter also confirmed that steps had been taken to ensure that this situation did not occur again.

The Playing Field

39. The Chair of Governors provided extensive evidence relating to the difficulties experienced with the playing field, and the various stages in resolving the matter in order to have a field the children could safely use.
40. There was a general acceptance from officers that there were problems with the playing fields and that in hindsight more specialist advice should have been sought on the development of the playing fields, particularly with regard to the best time for planting.
41. Officers also stated that a more rigorous inspection regime for such work had now been put in place and that problems of the type experienced were now less likely to occur.
42. The working group was advised by Mr Shaw that the playing fields were now in use by children.



Conclusions and Recommendations

Resolving outstanding issues

43. At the working group's meeting in May, Education Leeds officers circulated a draft note of a recent meeting they had attended with Mr Shaw and the Head and Deputy Head of Meadowfield Primary School. The purpose of the meeting had been to identify all the outstanding issues that the leadership of the school had identified in relation to the building. These were:
- the high cost of annual repairs and maintenance
 - water heaters
 - vinyl floor in early years and reception
 - smells
 - window actuators
 - dead trees
44. It was agreed that Education Leeds would provide options for resolving these issues following the scrutiny working group meeting. It was clarified that this did not automatically mean that Education Leeds would pay for all changes. Mr Shaw stated that he would welcome a more positive approach as was being suggested to resolving these outstanding issues.
45. We felt that it was important for the school and Education Leeds to be able to move on from the current situation. At the same time as Education Leeds need to agree solutions to the list of outstanding issues, the school also needs to draw a line, stop adding to the list of issues being raised and take ownership of the building for itself and its community.

Recommendation 4 – That Education Leeds confirms the actions agreed with the school to sign off the agreed list of outstanding issues at paragraph 43, and the timetable to complete these actions.

46. Officers agreed to benchmark maintenance costs for Meadowfield Primary with other similar schools.
47. It was also acknowledged that client officers needed to ensure that they are protecting the school's long-term interests at the design stage of a building project by considering the likely future costs or savings to the school of particular design or material choices. BREEAM regulations now required a cost analysis of the building over the course of its projected lifetime. These were not in place when Meadowfield Primary School was designed.
48. It was further noted that a school would be built according to the guidelines in place at the design freeze stage, and any subsequent requirements would need to be addressed separately.
49. Nevertheless there needed to be some way of addressing a situation where a new school found itself facing significant unexpected maintenance costs. Possible solutions might include changes to the building to alleviate the impact, or a review of the school funding formula in relation to the allocation of maintenance budgets for all schools to redistribute funding.



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Recommendation 5 – That Education Leeds benchmarks the maintenance costs at Meadowfield Primary School with other similar schools in order to assess whether they are significantly higher.

50. Officers clarified that the ‘snagging’ period only lasts for one year from the building handover date to Education Leeds. Education Leeds officers routinely monitor faults during this period, but after this time they would only respond to reports from the school, as appropriate.
51. Officers accepted that it had taken too long to resolve some of the problems at Meadowfield. They agreed that they would consider funding the cost of the proposed new flooring as a goodwill gesture, but that this did not constitute an acceptance of liability for the underlying cause, which remained a matter of disagreement.
52. The importance of the school experiencing an effective handover, with clear manuals and training for the operation of the building was stressed. A DVD was suggested as a helpful guide for schools. Officers indicated that they were continuously reviewing the handover process. This was welcomed by the Chair of Governors and by the working group.

Recommendation 6 – That Education Leeds reports back to the Scrutiny Board on the handover process for new school buildings.



Evidence

Monitoring arrangements

Standard arrangements for monitoring the outcome of the Board's recommendations will apply. The decision-makers to whom the recommendations are addressed will be asked to submit a formal response to the recommendations, including an action plan and timetable, normally within two months.

Following this the Scrutiny Board will determine any further detailed monitoring, over and above the standard quarterly monitoring of all scrutiny recommendations.

Reports and Publications Submitted

- Index of Meadowfield evidence – listing approximately 60 documents submitted by Mr Shaw (Please note that some of these documents are confidential)
- Education Leeds Compliments and Complaints Procedure April 2002
- Report of the Director of Children's Services – Meadowfield Primary School Review – 23 April 2009 (plus appendices)
- "3 Schools" building project – Some building concerns raised by schools
- Report of the Meadowfield Working Group – 23 April 2009
- Education Leeds Estate Management Team – Project Management Process Examples for Meadowfield Inquiry (some of these documents contain confidential information)
- Meadowfield Primary School: Scrutiny Review – Note of meeting Wednesday 13 May 2009

Witnesses Heard

Mr Mike Shaw, Chair of Governors, Meadowfield Primary School
Jackie Green, Director of Planning and Learning Environments, Education Leeds
Beverly Spooner, Principal Development Officer, Estates Management, Education Leeds

Dates of Scrutiny

8 January 2009 – Request for Scrutiny presented at Scrutiny Board meeting
23 February 2009 – Working Group meeting
5 March 2009 – Scrutiny Board meeting
23 April 2009 – Working Group meeting
18 May 2009 – Working Group meeting

Members of working group – Councillor Ronnie Feldman (Chair), Cllr Judith Elliott, Mr Tony Britten and Mr Ian Falkingham

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**Scrutiny Board (Children's Services)
Meadowfield Primary School Inquiry
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Report author: Kate Arcott**

www.scrutiny.unit@leeds.gov.uk