

Appendix 4

Service Solutions and Delivery Options

The LMDC project is the last of the schools projects which formed a part of the Education Development Plan approved by the States in 2002.

Following its approval the Education Department commissioned an Options Appraisal from King Sturge, following direction from the States to progress the planning for EDP1 and in the knowledge that it was a phased reorganisation plan to restructure Secondary, Post 16 and Special Education and not just a series building projects.

The Option Appraisal comprised site appraisals and masterplanning of sites on site planning and block planning principles. Cost summaries were prepared for each project and the EDP1 as a whole. A Critical Path Analysis was undertaken for each project and for the EDP1 programme.

The perspectives from local consultations and considerations were evaluated, including feedback from the Advisory and Finance Committee, the Recreation Committee, the Environment Committee and States Traffic. The local construction economy was also evaluated for optimum programming.

In preparation for the LMDC project, the Education Department held a series of discussions with stakeholder groups to discuss the scope of the LMDC project and whether there were alternative service solutions for delivery of education in the LMDC schools catchment area as part of the overall renewal of educational buildings in the Programme.

These options included doing nothing, renovating and extending the existing buildings, moving the school populations elsewhere or relocating the school buildings to different sites.

Simultaneously the scope was being developed to ensure a close fit with the strategic objectives of the States and the Education Department for raising achievement, maximising the use of states assets, engaging third sector groups in the delivery of services and encouraging the grouping of services within the local centres concept.

Initial options that were considered were:

1. continue maintaining the existing schools
2. maintain, extend and refurbish the existing schools
3. close both or either of the schools and relocate pupils to other schools
4. relocate one or both schools to other sites
5. provide two new schools with comparable facilities to other new-build schools in the Island as defined in the States Policy Letter "A Site Development Plan for the Reorganisation of Secondary, Post -16 and Special Needs Education in the Bailiwick of Guernsey" Billet d'État VI April 2002"

6. provide two schools with a range of additional facilities to meet the States' "direction of travel" regarding multiple use of existing sites in the local centres, in this case for community and sporting purposes, and to achieve equivalent parity of esteem for the schools with the other High Schools and Primary Schools.

Options for re-use of the existing site included:

1. locate the schools and sports building in different positions on the school site to maximise phasing options and minimise cost
2. combine the schools and sports building into one building
3. consider raising the buildings by piling or to provide other solutions to mitigate the risk of flooding from tidal overtopping.

Conclusions

Following review, doing nothing at LMDC or closing or relocating the school communities was discounted by the Education Board. The Education Development Plan 1 (EDP1) programme of capital projects had developed as the result of a number of reviews conducted by the Education Department over the previous ten years, with the proposals being brought to the attention of the Assembly through States Reports which the Assembly had then amended or approved the proposals and resourced the Department to conduct various Options Appraisals for the programme. The decision to provide two new schools had been approved in the original 2002 proposals. The final preferred extended option shown below is as a result of the policy and strategic decisions by the States in the years which followed the 2002 programme approval.

The discounted options: Options 1-4

Option 1 Continue to maintain the existing schools (i.e. do nothing)

The case for doing nothing fell on the basis that the schools are no longer fit for purpose

Option 2 Maintain, extend and refurbish the existing schools

The option of refurbishment and extensions was reviewed during the Option Appraisal and Strategic Review Process but discounted on the grounds of cost comparison, disruption to pupils' education during the refurbishment of existing premises, the need to relocate pupils either away from the site or into hatted accommodation, the programme delay this would cause, and the potential inadequacy of the design solution because of the need to re-use the current accommodation, thereby compromising external infrastructure, wayfinding and energy efficiency. The cost estimate is £68.99m including inflation for this option, which exceeds the rebuild cost estimate by over £4.5m.

Option 3. Close both or either of the schools and relocate pupils

- High School closure, on the basis of the ending of selection at age 11

The option to close La Mare de Carteret High School and not rebuild has been actively under consideration, gaining some traction owing to the Education Board's commitment to review selection for transition between Guernsey's primary and secondary phases of education. The argument runs as follows: if selection is abolished then Guernsey would only need three institutions for secondary education, if La Mare de Carteret High School was not to be rebuilt then Guernsey would only need Les Beaucamps High School, St. Sampson's High School and the Grammar School site, thereby negating the need to rebuild La Mare. This argument is superficially attractive, but in reality is not achievable for a number of reasons:

- the 11-16 cohort numbers will not change if selection is removed. There is not sufficient capacity at the Grammar School and Sixth Form Centre to absorb pupils from La Mare de Carteret High School as much of the Sixth Form Centre teaching takes place within the Grammar School itself;
- there is no capacity at Les Beaucamps High School to extend the buildings to absorb enough of the La Mare de Carteret High School cohorts because of the nature of the site;
- St. Sampson's High School could only be extended to accommodate another 240 students;
- put simply there is not sufficient capacity in the two remaining High Schools and the Grammar School and Sixth Form Centre to absorb all of the students from La Mare de Carteret High School, even if the States were to decide to abolish selection in Guernsey. It is essential, therefore, that the options identified for the development of the LMDC project are capable of being future proofed regarding the outcome of any debate on selection in the current political term.

Further analysis is provided in *the Scenarios in the event of the ending of eleven plus selection* in the States Report which concludes only two options are realistic should selection at eleven end:

1. retention of the Grammar School as the fourth High School, resulting in two 600 pupil High Schools at the GS and LMDC, LBHS as a 660 pupil School as now, and SSHS as a 720 pupil High School as now; or
2. the phased relocation of the Grammar School 11-16 cohort, by up to 240 pupils to SSHS and 360 pupils to LMDC resulting in two 8fe High Schools each with a capacity of 960, and LBHS with a capacity of 660.

Primary School closure

For the primary age children the States has approved a policy of two and three form entry for the Primary Phase to improve educational outcomes. Further, in October 2013 the States agreed to the closure of St. Sampson's Infant and St. Andrew's Primary School with effect from July 2014 and July 2015 respectively. La Mare de Carteret Primary School is an essential component of the States policy of two and three form entry primary schools and there is not sufficient capacity remaining to close this school. This option has, therefore, to be dismissed.

Option 4. Relocate one or both schools to other sites

The decision to re-use existing sites as far as possible for the EDP1 projects was a conclusion of the original EDP1 Option Appraisal proposals. Other sites have now been considered for the LMDC schools but it was not possible to identify sites which would achieve planning permission as well as having immediate adjacency to external playing facilities in an area comparable to the 26 acres of the existing site.

The multi-criteria analysis (cost of acquisition, size of the site, shape of the site, flatness of the site, existing availability of services, adjacent uses to the site, perceived speed of land acquisition, pedestrian access, vehicular access, current uses of the site and closeness to catchment area) adopted for the re-siting of the replacement schools for St. Sampson's High and Le Murier Special School was used in a desktop analysis which confirmed that the existing site is the best located for re-use as a schools and community services site. This is further reinforced by the appropriateness of the location in supporting the concept of "local centres" in the Strategic Land Use Plan and the Environment Department's "Analysis of Potential Local Centres" document and supported in the Treasury and Resources Strategic Asset Management Plan.

After all the options that had been discounted as impracticable had been excluded, two of the original options from the option appraisal remained:

Option 5. Provide two new schools with comparable facilities to other new-build schools in the Island as defined in the States Policy Letter "A Site Development Plan for the Reorganisation of Secondary, Post -16 and Special Needs Education in the Bailiwick of Guernsey" Billet d'État VI April 2002"

Option 6. Provide two schools with a range of additional facilities to meet the States' "direction of travel" regarding multiple use of existing sites in the local centres, in this case for community and sporting purposes, and to achieve equivalent parity of esteem for the schools with the other High Schools and Primary Schools.

The Education Board then decided that the additional facilities should be further reviewed as key service requirements in a cost benefit evaluation and in discussion with stakeholder groups on the basis of a continuum of need ranging from:

- a minimum scope – essential or core requirements/outcomes;
- an intermediate scope – essential and desirable requirements/outcomes;
- a maximum scope – essential, desirable and optional requirements/outcomes.

This translates as:

- **option A** – the minimum scope project i.e. Option 5 above;
- **option B** – the intermediate scope project; i.e. a reduced version of Option 6 above including the larger sports facilities, and the Communication and Autism Service unit and the Pre-school unit but excluding the community facilities;
- **option C** – the maximum scope project i.e. Option 6 above with the full range of additional facilities including the community unit.

In accordance with the guidance from the States Capital Investment Portfolio Team the do minimum Option A has been considered as a benchmark for potential Value for Money.

A list of “investment objectives” was drawn up which identified the business needs the Education Department was looking to address in seeking capital investment from the States for the LMDC project for the choice.

These options have been evaluated as part of the Inception and Feasibility stage of the project to determine the main outcomes and benefits which each of the three options would bring.

The table overleaf shows the benefits by stakeholder group which the Education Board is trying to achieve from the objectives it has set for the project as at that initial Strategic Outline Case stage.

Investment objectives	Main benefits criteria by stakeholder group
Investment objective 1	to replace the current High School which is no longer fit for purpose with facilities for up to 600 pupils to enhance the opportunities for pupils to receive excellent teaching and learning.
Investment objective 2	to replace the current Primary School, which is nearing the end of its useful life, with facilities to enhance the opportunities for up to 420 pupils to receive excellent teaching and learning.
Investment objective 3	to ensure that students at both schools have facilities in an environment regarded as of comparable investment as the other High Schools and the Grammar School and which will enhance the opportunities for pupils to receive excellent teaching and learning. This objective relates both to contributing towards better educational outcomes and to social justice and equality, and aligns with the SAMP vision that the buildings and grounds be redeveloped to provide a community resource.
Investment objective 4	to improve the efficiency and operation of a growing part of the Department’s Inclusion and Support Division by relocating from other sites the provision of a designated unit in each school for approximately 18 children with communication and autistic spectrum difficulties, and to provide a centralised base for its outreach service – which currently has over 150 children on its caseload.

Investment objective 5	to enhance the community environment in the Cobo area by the replacement provision of facilities for nursery age children and to provide discrete and shared facilities within the schools and sports buildings for families and the elderly.
Investment objective 6	to support the Early Year Collaborative to work with other providers to develop a replacement nursery unit for approximately 30 pre-school age children.

	Minimum Option A	Intermediate Option B	Maximum Option C
Potential business scope	New High School and Primary School with school standard indoor sports facilities, (but without the swimming pool provided in the other High Schools and the Grammar School)	New High School and Primary School with competition level indoor sports facilities (but without the swimming pool provided in the other High Schools and the Grammar School); Co-provisioned pre-school unit a 4-16 Autism and Communication Services Unit	New High School and Primary School with competition level indoor sports facilities (but without the swimming pool provided in the other High Schools and the Grammar School); Co-provisioned pre-school unit a 4-16 Autism and Communication Services Unit; and Community facilities
Cash Releasing Benefits	None	None	None
Financial but non-cash releasing benefits	Opportunity cost of releasing routine maintenance to other sites within Education.	Opportunity cost of releasing routine maintenance to other sites within Education. Release capacity by vacating current comm. & autism unit at Amherst Primary and St Sampson's High.	Opportunity cost of releasing routine maintenance to other sites within Education. Release capacity by vacating current comm. & autism units at Amherst Primary and St Sampson's High
Non Quantifiable Benefits	Successive groups of children from age 4 to 16 will be educated in the schools over 60 year asset life with comparable facilities to the other High Schools and Primary Schools but without the symbolic	Successive groups of children from age 4 to 16 will be educated in the schools over 60 year asset life with a comparable level of facilities to the other High Schools and Primary Schools; Contribute towards a better educated workforce and society	Successive groups of children from age 4 to 16 will be educated in the schools over 60 year asset life with a comparable level of facilities to the other High Schools and Primary Schools; Contribute towards a better educated workforce and society for

	Minimum Option A	Intermediate Option B	Maximum Option C
		<p>for the next 50 years;</p> <p>Enhanced income from hirer use of sports facilities and other school facilities and potential benefits to the hospitality economy;</p> <p>Greater productivity and quality of service from co-location of comms and autism service and provision of a more secure process of transition from primary to significance of a swimming pool;</p> <p>Contribute towards a better educated workforce and society for the next 50 years;</p> <p>Potential income from hirer use of sports facilities secondary education for these children;</p> <p>Increased scope for pre-school provision and better transition to Primary education.</p>	<p>the next 50 years;</p> <p>Enhanced income from hirer use of sports facilities and other school facilities and potential benefits to the hospitality economy;</p> <p>Greater productivity and quality of service from co-location of comms and autism service and provision of a more secure process of transition from primary to secondary education for these children;</p> <p>Increased scope for pre-school provision and better transition to Primary education;</p> <p>Better quality of service by provision of community services closer to the community, in recognition of growing social needs for families and the elderly and consistent with States approved SAMP principles.</p>

These benefits were then analysed against the three options to review the level of benefits delivered by each of them.

Critical success factors

These CSFs were used alongside the investment objectives for the project to evaluate the long list of possible options.

- CSF1: how well the option satisfies the existing and future business needs of the States Education Department.

- CSF2: how well the option provides holistic fit and synergy with other key elements of States and Department policies and strategies.
- CSF3: potential achievability – the Department’s ability to innovate, adapt, introduce, support and manage the required level of change, including the management of associated risks and the need for supporting skills (capacity and capability). Also the organisation’s ability to engender acceptance by staff.
- CSF4: potential affordability – the organisation’s ability to fund the required level of expenditure – namely, the capital and revenue consequences associated with the proposed investment.

The discounted options and the three options in the long list were compared to decide which best fitted the achievement of the investment objectives, and the delivery, phasing and funding implications were also considered for the management implications for the project

Options	Finding
1.0 Scope	
1.1 ‘Do Nothing/refurbish/relocation /closure	Discounted – because they do not satisfy any of the investment objectives and are morally not equitable as La Mare de Carteret High School would not be provided with similar standard of facilities as the remaining High Schools. This conflicts directly with the Department’s and the States commitment to the underlying principle of equality of access.
1.2 Minimum	Possible only – because it does not meet all the investment objectives.
1.3 Intermediate	Possible only – because it does not meet all of the investment objectives.
1.4 Maximum	Preferred – because it meets all of the investment objectives.
2.0 Service delivery	Preferred - States Provision of education services.
3.0 Implementation	
3.1 Single Phase	Discounted – not practicable in order to maintain continuity of educational services on site and to satisfy Planning.

3.2 Phased	Preferred – Education has to ensure business as usual and has a proven track record of successful phased implementation.
4.0 Funding	
5.1 Private Funding	Not relevant
5.2 Public Funding	Preferred as part of SCIP, subject to States approval

The economic costs of the three options as at Q1 are shown in the table below. These are expressed in current prices for the project build. In the absence of any guidance on the appropriate discount rate it has not been possible to incorporate these within a discounted cash flow for the duration of the construction project. The studies include two phasing options to determine not only the cost but the implications for the project programme.

	Minimum Option A	Intermediate Option B	Maximum Option C
Potential business scope	New High School and Primary School with school standard sports facilities, but without the swimming pool provided in the other High Schools and the Grammar School	New High School and Primary School with competition level indoor sports facilities (but without the swimming pool provided in the other High Schools and the Grammar School); Co-provisioned nursery a 4-16 Autism and Communication Services Unit;	New High School and Primary School with competition level indoor sports facilities (but without the swimming pool provided in the other High Schools and the Grammar School); Co-provisioned nursery; a 4-16 Autism and Communication Services Unit; and Community facilities.
High School	£19,122,000	£19,122,000	£19,122,000
Primary School	£7,492,000	£7,492,000	£7,492,000
Sports Hall	£3,731,000	£5,171,000	£5,171,000

Pre-School Nursery	N/A	£380,000	£380,000
Communications & Autism Unit	N/A	£438,000	£438,000
Community Facilities	N/A	N/A	£420,000
Externals, fees, FFE, ICT, contingency, central costs	£25,235,000	£25,627,000	£25,707,000
<u>“i” option</u> (Sports building in Phase 2) Total excl. inflation	£55,580,000	£58,230,000	£58,730,000
<u>“ii” option</u> (Sports building in Phase 1) Total excl. inflation	£54,570,000	£57,170,000	£57,660,000

PROFILE OF ECONOMIC COSTS (IE CURRENT COSTS) FOR CASH FLOW FOR EACH OPTION (Q1 2014)

Capital Requirement £'000 Option A(i)	2014	2015	2016	2017	Total Post-2017	Grand Total
	£2,250	£8,259	£17,659	£17,975	£9,437	£55,580
Capital Requirement £'000 Option A (ii)	2014	2015	2016	2017	Total Post-2017	Grand Total
	£2,250	£9,429	£19,447	£17,915	£5,529	£54,570
Capital Requirement £'000 Option B (i)	2014	2015	2016	2017	Total Post-2017	Grand Total
	£2,250	£8,669	£18,537	£18,868	£9,906	£58,230
Capital Requirement £'000 Option B (ii)	2014	2015	2016	2017	Total Post-2017	Grand Total
	£2,250	£10,305	£21,023	£18,749	£4,843	£57,170
Capital Requirement £'000 Option C (i)	2014	2015	2016	2017	Total Post-2017	Grand Total
	£2,250	£8,747	£18,702	£19,036	£9,995	£58,730
Capital Requirement £'000 Option C (ii)	2014	2015	2016	2017	Total Post-2017	Grand Total
	£2,250	£10,397	£21,211	£18,916	£4,886	£57,660

This led to a summary assessment of the scoping options:

Reference to:	Option Zero	Option A	Option B	Option C
Description of option:	Do nothing	Minimum	Intermediate	Maximum
Investment objectives				
1) to replace the current High School which is no longer fit for purpose with facilities which will enhance the opportunities for pupils to receive excellent teaching and learning	<i>x</i>	✓	✓	✓
2) to improve the efficiency and operation of a growing part of the Department's Inclusion and Support Division by the provision of an all-through designated unit for children with communication and autistic spectrum difficulties	<i>x</i>	<i>x</i>	✓	✓
3) to enhance the community environment in the Cobo area.	<i>x</i>	<i>x</i>	<i>x</i>	✓
4) to improve the efficiency and operation of a growing part of the Department's Inclusion and Support Division by the provision of an all-through designated unit for children with communication and autistic spectrum difficulties	<i>x</i>	<i>x</i>	✓	✓

5) to enhance the community environment in the Cobo area.	x	x	x	✓
6) to support the Early Year Collaborative to work with other providers to develop a nursery unit for pre-school children	x	x	✓	✓
Critical success factors				
Business need	x	x	✓	✓
Strategic fit	x	x	x	✓
Benefits optimisation	x	x	✓	✓
Potential achievability	x	✓	✓	✓
Potential affordability	✓	✓	✓	✓
Summary	Discounted	Possible	Possible	Preferred

Option C was identified as the Preferred Option arising from the Scoping Assessment.

The 'preferred' and 'possible' options were carried forward into the short list for further appraisal and evaluation. All the options that had been discounted as impracticable were excluded at this stage.

Following the completion of the strategic outline case and the first gateway review the Education Board reviewed the SOC and the panel's report and noted the comments that *"the Review Team supports the recommendations of the Project Team following detailed discussions in person it appears that the new build, existing site option is well justified as the only viable option to take forward, the preferred option appears to offer the best chance of securing a value for money solution for SoG given the practical and policy context."*

At the Education Board meeting held on 7th February, 2014 the Board approved the preferred option, Option C, to proceed to the OBC stage on the basis that it provided:

- the best scoping option for the business needs of the Education Department and the strategic objectives of the States;
- the best service solution option in that it maximised the use of the site efficiently to encompass a wide variety of benefits for a wide variety of stakeholders;
- the best service delivery option in that it encourages a delivery contribution from providers who are not only from the public sector but also from the Business sector and the third sector of volunteers, charities and not for profit organisations and associations.