

Renfrewshire Council

Statutory follow-up report

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Introduction

Background

1. In June 2023 Renfrewshire Council received the findings of an independent report (the Bowles report) that highlighted significant historic failings of leadership, oversight and risk management in relation to the provision of school accommodation for Dargavel Village. The council accepted the findings in full and apologised to the local community for the errors made. In January 2024, I reported to the Accounts Commission on the actions taken by the council to respond to the issues identified in the Bowles report.

2. The Commission asked me to report back by June 2024 on progress with the issues raised in the Commission's findings. Following the announcement of the UK general election on 4 July 2024, reporting was delayed to August 2024 due to restrictions on the publication of reports during the pre-election period. Specifically, the Commission asked that I seek further information and updates from the council on the following:

- the council's review of its approach to community engagement
- its approach to consultation on the additional primary school at Dargavel, and other decisions on the school estate
- the council's work on understanding the wider service impacts on the failings regarding school capacity
- the council's reviews of scrutiny and risk management, and its leadership development programme
- the process followed and factors taken into account by the council in considering disciplinary action against senior staff, and its approach and policy on performance management and accountability.

3. The council's appointed auditor has carried out additional work to gather information and assess progress to date in relation to the five areas of interest identified by the Commission.

4. I submit this follow-up report under section 102(1) of the Local Government (Scotland) Act 1973 as a matter that the Controller of Audit considers should be brought to the attention of the Accounts Commission for Scotland.

5. The auditor will provide a further update on progress with some of these issues in the annual audit report, due to be published in September 2024, and the Best Value report, which has been brought forward from 2027 to December 2024.

Update on progress

Community engagement

6. In my previous report I reported that the council recognises the significant challenges it faces to rebuild the trust and confidence of local communities. In its findings, the Commission asked me to undertake further audit work to enable me to update the Commission on recent actions taken by the council to improve its consultation and engagement with communities over its planned new primary school at Dargavel and planned extension at Park Mains High School. I was also asked to update the Commission on the council's progress in reviewing the effectiveness of its strategy and approach to community engagement. I cover each of these areas separately.

School-based community engagement and consultation

7. The auditor has carried out a high-level review of community engagement activity undertaken by the council with Dargavel and Park Mains High School communities since publication of the Bowles report. The auditor has concluded that the council has taken steps to increase its engagement activity with local communities.

8. From the end of January to the end of March 2024, the council carried out a statutory consultation on the proposal to build a new primary school in Dargavel village and a review of the catchment areas for both the new and existing primary schools. Activity as part of this consultation included two public meetings, four information sessions, drop-in sessions and opportunities to provide online and written feedback. The council wrote to statutory consultees and others in the local community to publicise the consultation. Information on the consultation and how people could get involved was also available on a dedicated page on the council website. The auditor has confirmed that the council's consultation on the new Dargavel primary school meets the requirements of the Schools (Consultation) (Scotland) Act 2010.

9. There is no statutory requirement for the council to consult on any proposal to extend an existing school. There has therefore been no statutory consultation on the proposal to extend Park Mains High School. The council has, however, been carrying out a programme of community engagement on the extension. This is principally through the Park Mains Liaison Group and community newsletters. The council reports that it has developed a plan for the next phase of engagement on the extension to Park Mains High School and the new Dargavel primary, from July to September 2024.

10. The final report from the statutory consultation was discussed at the Education and Children's Services Policy Board in May 2024. The consultation

was about delivery of a new non-denominational primary school within Dargavel Village for 800 pupils and revised catchment arrangements between Dargavel primary school and the new school. The majority of responses to the consultation agreed with the need for a new school but views were split on the proposed site (40 per cent agreed and 41 per cent disagreed). There was also no consensus on the proposed catchment area (44 per cent agreed, 12 per cent disagreed and 44 per cent did not express a preference). The main concern raised by respondents to the consultation was about the increase in traffic and the availability of safe active travel routes to school. Although it was outwith the scope of the consultation, a third of respondents also raised the option of a new high school or a joint primary and secondary campus. This option was not presented in the consultation because the council had agreed in May 2023 to extend Park Mains High School, which is the existing non-denominational secondary school for the Dargavel and Bishopton catchment, to provide additional capacity.

11. The board also considered an Education Scotland report prepared as part of the consultation process. This report concludes that the council's proposal has the potential to provide educational benefits. It also highlights the significant concerns raised by stakeholders, both through consultation responses and conversations with HM inspectors. It recommends that the council should:

- develop robust plans to manage the expected increase in traffic and ensure that there are improved and safe active travel routes to school
- develop contingency plans to address any potential slippage in timescales for construction of the new school
- continue to work with stakeholders to mitigate their concerns and involve them, as appropriate, in the development of the new school.

12. In response to concerns raised during pre-engagement activity about traffic at the new school site, the council commissioned an independent transport and travel study in January 2024. This concluded that the planned road infrastructure will accommodate the additional traffic. It also made some recommendations to maximise active travel. The council is currently engaging with BAE Systems about planning access and travel routes as part of the design of the school site.

13. The council recognises that there is still work to do to repair its relationship with the Dargavel community and reports that it has developed plans for ongoing community engagement during the design and planning of the new school.

14. The auditor will continue to monitor how the council acts on the findings from the consultation and the Education Scotland report.

The council's review of its approach to consultation and engagement

15. The council commissioned an external consultant to:

- provide support and guidance on best practice to support its statutory consultation activity in relation to the new primary school. This was to include support for staff delivering the consultation, advice on the effective running of public events, support for the senior team and a review mid-way through the consultation to advise on any improvements that could be made.
- carry out a review of the effectiveness of the wider engagement strategy, including the statutory consultation and engagement on plans to expand Park Mains High School. This included a community opinion survey, carrying out meetings with stakeholders to discuss their engagement with the council and a review of exit surveys and transcriptions from the statutory consultation. This review was completed in June and a report will be taken to the council's Audit, Risk and Scrutiny Board in August 2024.

16. The consultant's report considered how the council carried out the Dargavel consultation, but did not look at the issues raised or how the council has responded. It identified considerable good practice in the consultation process, concluding that it effectively allowed citizens to voice their preferences. It also concluded that the council's engagement and communication plan was comprehensive. The consultant made a series of recommendations, some of which are specific to the Dargavel consultation and some which are broader and apply to the council's future consultation activity.

17. The scope and methodology of the work the council commissioned from the external consultant was appropriate and the findings provide assurance that the council's approach to the Dargavel consultation was robust. It is too early, however, to comment on how the council has responded to the consultant's recommendations.

18. The council reports that it has now also secured external support to help deliver a new corporate engagement policy and toolkit and establish an engagement oversight group. It is important that the council continues to work to rebuild trust among the Dargavel and Bishopton communities, by acting quickly to implement any recommendations arising from the conclusion of its review. It should also consider how the lessons learned can be applied to its corporate approach to consultation and engagement. The auditor will continue to monitor progress and developments in this area.

19. I am satisfied that the council's approach to its recent consultation and community engagement activity has been appropriate and comprehensive. The council is responding appropriately to the issues raised through the consultation process in its decision making.

Wider impacts on service provision

20. As I noted in my previous report, the council has implemented interim arrangements to address primary school capacity issues and monitors the quality of educational delivery and measures of pupil attainment through its existing quality monitoring arrangements. The Commission emphasised in

January the importance of openness and transparency in the council's consideration of options and decision-making in relation to the school estate. The council continues to report issues and decision-making on the school estate and education provision through the Education and Children's Services Policy Board.

21. The Commission also raised concerns about the potential impacts on other services as a result of the errors in the estimation of pupil numbers in Dargavel. The council has established a Dargavel working group, made up of council senior management, to manage operational issues related to the new primary school and extension of Park Mains High School. Any wider service impacts identified through the work of this group would be considered as part of the council's regular business planning, financial planning and annual budget processes.

22. The council has not identified any significant impact on local service provision as many other local services are not impacted by the size of the school roll. Of the 4,300 new houses planned in the Dargavel area, 2,400 have been built and the rest will be built in batches over the next 10 years, so the council is confident that it will be able to adapt to any service impacts as they arise through its wider corporate planning processes.

23. The auditor is satisfied that the council has appropriate arrangements in place for considering the potential wider impact of its planning failure linked to school accommodation for Dargavel Village on non-education services. The auditor has also found no evidence of any negative impacts on wider council services being demonstrated through the council's routine performance management processes.

Governance and scrutiny

24. The Bowles report, while restricted to the historical handling of the Dargavel development, raised a concern in relation to the council's governance arrangements. In my earlier report I highlighted that, while auditors concluded that overall the council has appropriate governance arrangements in place, the role of the Audit, Risk and Scrutiny Board (ARSB) in ensuring effective scrutiny is not sufficiently clear. The council committed to review its governance and scrutiny arrangements as part of a wider review of corporate governance.

25. The council has taken steps to review its governance and scrutiny arrangements, including:

- a self-assessment against CIPFA guidance for local authority audit committees
- an exercise benchmarking the council's governance arrangements against other councils
- a cross-party working group review of governance arrangements
- a review of the council's risk management arrangements.

26. At its meeting in May 2024, the council considered the results of the ARSB's self-assessment against CIPFA good practice on audit committees. The self-assessment identified a number of areas of good practice and 11 action points, including proposed changes to the governance of the ARSB. The council approved the results of this review, the action plan and a number of changes to the way the ARSB operates in relation to its terms of reference, guidance and role descriptions. All the action points were implemented by the end of June. The cross-party review of governance also identified a number of actions, including a review of the council's Scheme of Delegation. An action plan was developed compiling actions from the reviews, with progress against actions monitored by the ARSB. All but one of the actions have now been delivered, with the final action to be completed by December 2024.

27. All actions in response to the Bowles report in relation to risk management have been completed, as reported to the ARSB in March 2024. The auditor will continue to monitor progress in improving governance and scrutiny arrangements and report further as part of their annual audit and Best Value work.

28. The council has developed a leadership programme in conjunction with SOLACE. The programme covers areas including risk management, good governance and engaging with the public. The council initially plans to run the programme in three cohorts. The first cohort, consisting of the extended Corporate Management Team has completed the programme and the second cohort began in April 2024. The programme is ongoing so it is too early to reach a conclusion on its effectiveness. SOLACE has collated feedback from the first cohort and the council has used this to update the programme for subsequent cohorts. The auditor has concluded that the scope and timing of the programme is appropriate and will provide a further update in the Best Value report.

Performance and accountability

29. The Bowles report concluded that there had been historic failures of leadership and corporate oversight of decisions relating to the Dargavel development. This meant that decision-making was not sufficiently scrutinised or challenged by senior management. Bowles also concluded that junior staff in the Education and Children's Services department were asked to make assessments on pupil demand that were beyond their expertise and experience, with no appropriate support or supervision. This led to the errors in school capacity planning going unidentified. As part of the independent investigation, David Bowles provided the Chief Executive with a supplementary report considering his views on the accountability of the individuals involved in decision-making in relation to Dargavel. He found that the key individuals had either left the Council or were too junior to merit formal disciplinary action.

30. In my previous report I noted that the auditor concluded that the council obtained appropriate external legal advice and determined there is no potential for any form of action against former senior employees involved in the Dargavel School decision-making. The auditor has carried out further work to look at the processes followed by the council in deciding not to take disciplinary action

against any of the staff involved. The auditor has also reviewed the council's policies and procedures on performance management.

31. The council considered whether disciplinary or other action could be taken against individual council officers. The auditor has concluded that the council took the appropriate action, based on the powers available to it, but that action was limited due to officers involved having left the council.

32. In his supplementary report, David Bowles suggested that the council carry out an independent review into the handling of specific planning applications related to Dargavel. The council reports that it had been undertaking its own review of Dargavel planning alongside the work of David Bowles and information from this work had led the council to conclude that the planning process had been followed appropriately. On receipt of the supplementary report, the Chief Executive asked the Head of Corporate Governance to confirm that the concerns identified by Bowles were not supported by evidence. The council has shared details of this work with auditors but has not been able to provide a contemporaneous written record of the scope or findings of its additional work. In the interests of transparency and good governance, I would have expected officers to have kept a written record of decision-making on such a serious matter.

33. The auditor has concluded that, overall, the council has appropriate and comprehensive performance management policies and disciplinary procedures in place. Greater clarity is needed, however, on how the council's disciplinary procedure applies if an officer goes on sick leave during a disciplinary investigation and occupational health determines the individual is not fit to be investigated. The council is currently in discussions with trade unions regarding a revised disciplinary policy, including changes to address this issue. The council will need to secure agreement from all the trade unions to revise the policy.

34. In light of the Bowles report's findings about historic failures of management oversight and organisational culture, the council has carried out town hall events and other activity across all council departments to promote understanding of and compliance with performance management policies.

Conclusions

35. The council continues to demonstrate that it is taking action to respond to the issues highlighted in the Bowles report. The auditor has carried out further work to look at council actions and progress in the five particular areas of concern identified by the Commission and I am satisfied that the actions being taken by the council are timely and appropriate.

36. The council carried out its consultation on the proposed new primary school in line with statutory requirements and the independent consultant found that the process was robust. The consultation found significant support for a new school, however, there is no clear consensus on the proposed site and some respondents continued to highlight high school provision as a pressing issue although that was outwith the consultation scope. The council has recognised that there is still work to do and reports it has developed plans for ongoing community engagement on the design and planning of the new school. The auditor will continue to monitor progress and developments in this area.

37. The council has now concluded its review of risk management and has largely completed the actions arising from its review of governance arrangements. It has also completed its review of its Dargavel consultation and community engagement activity. The council has made progress in its response to the issues raised in the Bowles report, but it is too early to conclude on the impact and effectiveness of some of the actions taken by the council. The auditor will continue to monitor the impact of changes to governance and scrutiny arrangements, the leadership programme, and the council's response to the review of its community engagement activity. There continues to be significant public interest in the council's response to the Bowles report. It is critical that the council is as transparent as possible about how it reaches key decisions and that appropriate records are kept. The auditor will provide further updates through the annual audit and Best Value reports.

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