MINISTRY OF EDUCATION
TE TĀHUHU O TE MĀTAURANGA

Document 2.

Hutt Valley High School

Interim Report – Timeline of Events and Ministry action

April 2021

IN CONFIDENCE

EIS Assurance Services

Contents

Introduction 1
Context 1
Purpose 1
Methodology and Sources for this Interim Report 2
Summary and Interim Findings 3
Next Steps 3
Background 5
Property responsibilities in state schools 5
Recent funding allocations - Hutt Valley High School 5
Roofing Concerns 5
Appendix A: Timeline of events and decisions (2015-2021) 7

Introduction

Context

Hutt Valley High School is a decile 8 coeducational secondary with around 1700 students enrolled.

During a school-led 5YA upgrade and targeted roof remediation project on Block C at Hutt Valley High School, air testing detected unsafe levels of mould in three classrooms. The moulds found include stachybotrys (black mould) in some places, but more commonly other mould types considered allergens.

The Ministry of Education was informed of this on 25 March. Further testing was undertaken across the campus and as a result, 18 classrooms and teaching spaces were determined to be unsafe and were subsequently isolated.

The closure of the majority of Block C, and other spaces in other buildings, has caused significant disruption to the operation of the school.

The school principal and past and current Board have expressed their frustration and anger, both directly and through the media, with the Ministry of Education. They have stated that issues concerning Block C have been consistently raised with the Ministry, that the Block needed significant upgrade or replacement and the Ministry was unwilling to work with them to address the problems. Most significantly, they have stated that the issues had been flagged with the Ministry as an immediate Health and Safety concern.

The Ministry of Education's immediate focus has been on identifying and isolating the areas of the school that contained unsafe levels of mould, and to secure alternative accommodation to minimise disruption to students. While the school and the Ministry are in agreement on the remedial steps being undertaken, there is underlying concern at the perceived lack of action from the Ministry over a number of years to address the condition of Hutt Valley High School property.

The schools' main allegation is that the Ministry failed to act on receipt of a 2019 condition report of the school that recommended a series of actions to remediate. Based on a summary of emails and face to face meetings, the school alleges that:

"In 2019 the Board commissioned a full-school roofing report which identified serious roofing issues, potential mould infestations and urgent action recommendations, including air sampling as a health and safety risk management. The report was provided to the Ministry in July[1] 2019.

In subsequent meetings, the Ministry promised the Board it would refund the Board for the costs of the reports (which it did via a 5YA reallocation), and urgently work on a solution (which amounted to nothing)."

Purpose

The Ministry's Head of Education Infrastructure commissioned a review into the Ministry's engagement with Hutt Valley High School, to provide clarity of engagements and to determine whether responses and actions were appropriate. In the interests of expediency, the Education Infrastructure Service's Assurance Services Manager conducted the review. This work has been peer reviewed by the Ministry of Education's Chief Internal Auditor.

This review provides a timeline of recent property discussions and decisions and determines if the Ministry's response to property challenges at the school, or raised by the school, was appropriate.

The information gathered for this Report is also contributing to a more detailed parallel review relating to the Regional and National processes applied to the challenges surrounding Hutt Valley High School and what

[1] Subsequent correspondence shows that the report was not given to the Ministry till September 2019.

learnings can be identified to help the Ministry improve its ability to service and manage the needs of the education property portfolio more effectively.

Methodology and Sources for this Interim Report

In the interests of time, the date range for this analysis was restricted to the period 2017 to 2021. We are aware that the allegations from the school span a broader date range, and these will be investigated as part of the broader review being undertaken.

To compile the information in this interim report the following work was performed:

- reviewed correspondence and information held on our asset management system
- reviewed available central and regional school files (both paper based and electronic files).
- Undertook a forensic search of emails existing on the email server or staff accounts sent to Ministry personnel from the school over the past 3 years for any other correspondence not available through the above sources.
- conducted interviews with the responsible Regional Infrastructure Manager and Infrastructure Manager.
- Conducted an interview on 28 April with the Acting Principal and Administration Manager at Hutt Valley High School; and
- Cross referenced information found in Ministry records with information provided directly by Hutt Valley High School.

Summary and Interim Findings

Since at least 2015 Block C has I been identified by the school as needing an upgrade or replacement. Discussions with the school over a number of years focused on the building's-tired condition, age, inflexibility, poor functionality and location. It is clear from the evidence obtained to date that full replacement was desirable. However, the Ministry determined at the time that, based on the condition information held in 2016 the level of investment required meant that replacement was not supported. In making that determination, the Ministry considered its priority against other priorities across the national school portfolio.

Since 2020 the Ministry has agreed that significant investment in the block is not warranted and within the next ten years the block should be replaced. Subsequent to this, work to improve Block C was deferred or descoped on a number of occasions to free up 5YA capital for other infrastructure works which were determined to be of a higher priority. The Board of Trustees formally agreed to this approach in August 2020 diverting funds for roofing to the W Block rebuild while confirming with the Ministry SIPS funding would still be available for use on C Block.

Information obtained to date suggests there may be a legacy of deferred maintenance investment in school buildings in many schools[2]. A series of major issues and events has forced early renewals well before depreciation could be fully derived to fund the investments, e.g. Weather-tightness, Christchurch EQ, and rapid growth forcing remodelling of constrained sites. Alongside this, the introduction of Tomorrow's Schools resulted in depreciation being used by schools for maintenance and other objectives. Variable practice has led to accelerated deterioration across parts of the portfolio. Initial evidence suggests it may not be possible, either fiscally or operationally, to address all condition issues in the short term.

In the attempt to address the risks associated with maintenance and investment, the Ministry allocates additional capital on a priority basis, to those schools and facilities where issues are determined to be most pressing. It was reasonable, based on the condition assessment available at the time, for the Ministry to determine in 2016 that replacement of Block C, while desirable, was not the highest priority in the national school portfolio.

The Ministry received the school commissioned Cove Kinloch report in September 2019. That report stated:

> *the longstanding roof leaks have the potential to allow fungal growth to become established in the occupied spaces. This can have a negative effect on the building occupants' health. We would recommend a preliminary round of air sample testing in the worst affected areas, then determine if fungal issues exist and more extensive testing is required.*

While responsibility for carrying out maintenance rests with the school Board, the Ministry could have ensured an agreed set of actions was in place to respond to the report's recommendations, particularly air testing. While the report did not call out an immediate Health and Safety risk, and the school did not raise it as such, it is reasonable to expect that the Ministry in conjunction with the school, would act on this recommendation.

The Ministry could also have worked with the school to determine what additional support it required to meet its maintenance responsibilities, including developing a suitable maintenance programme.

Specifically, the Ministry could have required the deferment of the Block W technology project freeing up 5YA for reallocation to Block C or other priority recommendations from the 2019 roofing report.

Next Steps

[2] 68% of school buildings by area (m^2) were built pre-1990 before depreciation funding was introduced and more than 14% was built between 1994 and 2005, when weather-tightness issues meant a higher risk of early failure.

While there is broad agreement between the Ministry and the School Board on the plan for remediation, there remains tension at the lack of resolution on legacy issues.

It is recommended:

- This interim report be shared with the School Board. Further, the Ministry seek agreement with the Board on appropriate restorative actions to allow both parties to move forward.

- On completion, the broader review should also shared with the School Board and the Ministry advise of the steps it will undertake to improve its ability to service and manage the needs of the education property portfolio more effectively.

Background

Property responsibilities in state schools

Boards of Trustees and the Ministry of Education both play a key part in managing school property, with roles and responsibilities outlined in detail in the Property Occupancy Document (Appendix A). This includes a joint role as Person Conducting a Business or Undertaking (PCBU).

Boards are responsible for carrying out day-to-day maintenance of facilities and are funded to carry this out through the property maintenance grant (PMG). Boards are also responsible for identifying capital works needed to their facilities and submitting these plans to the Ministry for approval. The Ministry is responsible for providing funding to supports Boards' ability to carry out their responsibilities, known as 5-year agreement funding (5YA), as well as providing guidance and advice to assist Boards in delivering school-managed capital works.

Both the PMG and 5YA are formula-based.

Recent funding allocations - Hutt Valley High School

5 year agreement (5YA)

- 2020/21 - $2.608m (including $400k School Investment Package)
- 2015/16 - $1.99m
- 2010/11 - $2.04m

Property maintenance grant (PMG) – inclusive GST

- 2020 - $197k
- 2019 – $194k
- 2018 - $193k
- 2017 - $191k
- 2016 - $190k

Risk management funding

- $1.2m (fire damage tech block)

The PMG and 5YA funding amounts utilise calculated formulas to determine the amount provided to each school. The PMG is provided for general maintenance, painting, ground maintenance and swimming pool maintenance. 5YA is provided for capital maintenance and is primarily calculated based on a space entitlement under the School Property Guide (plus a modifier). HVHS has in the past had excess teaching spaces over and above entitlement which they were not funded for.

Roofing Concerns

In 2019 the Board commissioned a report into the condition the roofs of all buildings at Hutt Valley High School.

The report recommended a series of maintenance and capital works to address roofing condition issues at the school. For Block C, this included:

- Replacement of the standing rib roof cladding
- Replacement of corroded screw fixings on the old trapezoidal profile
- Replacement of cladding on covered walkways
- Weatherproofing work on pop-up skylights
- Replacement of the metal rainwater system
- Annual cleaning of all areas of trapezoidal profile to remove moss, lichen and contaminants; and

- Air sample testing recommended in blocks with longstanding moisture ingress issues (including Block C).

  The report states;

  > *'the longstanding roof leaks have the potential to allow fungal growth to become established in the occupied spaces. This can have a negative effect on the building occupants' health. We would recommend a preliminary round of air sample testing in the worst affected areas, then determine if fungal issues exist and more extensive testing is required.*

Neither the school nor the Ministry, as joint PCBU, followed up on the 2019 reports recommendation regarding precautionary air testing. This did not take place until the 2021 Block C project got underway.

The property priority for the school at this time was to develop an improved technology space, Block W. Due to cost escalations associated with weathertightness problems, $1.8m of the 5YA allocation was put into this project to enable it to proceed.

It was the school's expectation at that time that the issues with the roofing on Block C would be addressed by the Ministry outside of the existing 5YA budgets. This view is not supported by the Ministry.

The issues with Block C are a result of poor insulation, ventilation and airflow around the building due to its location

It is clear now that roofing work alone would be unlikely to have resolved the issues recently presenting.

The school consistently raised with the Ministry that it believed its property funding was insufficient to meet its property needs, including the maintenance requirements of the facility**.**

Our analysis has not identified any correspondence from the school to the Ministry seeking urgent support or additional funding to address mould or other urgent health and safety concerns, prior to events in March 2021. The review has found that the school raised the condition of the building with at several meetings with the Ministry**.**

Health and Safety at the Workplace

Under the Health and Safety at Work Act 2015 (HSAWA) the duties of a PCBU are not transferable but they can overlap. This is the case with a workplace where the employer does not own the building and so both the employer and the building owner have duties to those people working in the building or who visit it.

In the education sector, the Ministry has PCBU duties on school sites. While Boards are responsible for the day-to-day management and control of the site, the Crown's ownership of school property means the Ministry has governance responsibilities. As PCBUs sharing duties on the same site, the Ministry and Boards have a duty to consult, cooperate and coordinate on health and safety matters involving school property.

The primary duty of care is with the employer. The employer must make decisions about the safety of workers and if that safety may be compromised by another PCBU must consult, cooperate and coordinate with that other PCBU to make the workplace safe. In a school the Board will always have the primary duty as it is the employer.

Appendix A: Timeline of events and decisions (2015-2021)

- **Late 2015** – the Ministry's property team met with the Principal and Board to discuss national funding priorities. The school is not identified as having a high priority need at that time.

- **February 2016** – ten-year property plan (10YPP) approved. The focus is on student bathroom upgrades, electrical and heating infrastructure upgrades, some limited carpet replacement work, re-roofing of walkways, replacing emergency doors and a staged upgrade to Block C. The plan contemplates classroom refurbishments in other blocks continuing in the second 5-year period. Fire alarm integration to happen on a staged basis with classroom upgrade works. These projects will be informed by the *Campus of the Future* planning.

Campus of the Future document developed

- **September 2016** – *Campus of the Future* vision document (Appendix B) and master plan commissioned by the school to better coordinate and guide short, medium and long term investment and planning decisions at the school. The document notes that Block C is a major challenge for the school in terms of its flexibility to respond to the school's delivery of education, its poor location surrounded by other buildings, and its environment and functionality based on staff and student experience of the space. The report envisages remodelling or replacement of the Block.

- **December 2016** – technology block fire causes significant damage.

- **January 2017** – a 5YA amendment incorporates the immediate response following the fire, noting longer term solutions yet to be discussed and the reprioritisation of other projects.

- **August 2017** - following discussions with the school, a draft technology block replacement plan is developed, centred on Block C and informed by *Campus of the Future*. This is considered an expensive solution at circa $11m. Ministry staff subsequently meet the school to discuss an achievable way forward within existing funding parameters.

- **March 2018** – the Board settles on a preferred option for technology space replacement, involving the upgrade and remodelling of part of Block B and Block W.

- **April 2018** - 5YA is amended to capture costs and adjustments for various projects - changing scope of the heating project and introducing stage 1 of a 2 stage fire alarm integration project. This adjustment was achieved by reducing the value of the Block C upgrade project.

- **May 2018** - 5YA is amended to introduce an asbestos removal project from a classroom ceiling in Block C. This adjustment is also achieved by reducing the value of the Block C upgrade project.

- **November 2018** - 5YA is amended to account for an overspend on Block X reclad. This adjustment is achieved by reducing the value of Block C project and heating projects.

- **February 2019** – Cove Kinloch is appointed by the school to undertake a site-wide roofing assessment.

- **April 2019** - Block W concept and preliminary estimate is provided to the Ministry to support a 5YA amendment. Proposal to do Block W works using existing 5YA and risk management funding.

- **May 2019** - 5YA is amended following the decision to upgrade Block W, as technology space and for the introduction of stage 2 fire alarm works. The Block W project is transferred to Ministry management at school's request due to the poor performance of the third-party project manager.

Cove Kinloch roofing report received

- **July – September 2019** – Cove Kinloch roofing report is received by the school (Appendix C). The report identifies a number of maintenance and capital work recommendations. The report also suggests precautionary air testing (which was not subsequently carried out by the school or followed up by the Ministry). A Ministry-engaged property planner is appointed to the school and 10YPP planning subsequently commences. The Ministry received the report in September. The Cove Kinloch roofing report was provided to the planner for verification and incorporation into the new 10YPP. A rough order of costs was also provided in September for roofing works identified in report.

  The report recommended a series of maintenance and capital works to address roofing condition issues at the school. For Block C, this included:
  - Replacement of the standing rib roof cladding
  - Replacement of corroded screw fixings on the old trapezoidal profile
  - Replacement of cladding on covered walkways
  - Weatherproofing work on pop-up skylights
  - Replacement of the metal rainwater system
  - Annual cleaning of all areas of trapezoidal profile to remove moss, lichen and contaminants; and
  - Air sample testing recommended in blocks with longstanding moisture ingress issues (including Block C). The paper states;

    'the longstanding roof leaks have the potential to allow fungal growth to become established in the occupied spaces. This can have a negative effect on the building occupants' health. We would recommend a preliminary round of air sample testing in the worst affected areas, then determine if fungal issues exist and more extensive testing is required.

- **February 2020** - 10YPP initiation meeting held, finding there are more condition issues than possible to address with available funding.

- **June 2020** – it becomes clear that the Block W technology project needs more money due to geotechnical and engineering issues identified during due diligence. Discussions were held to quantify how much of a shortfall and where it would come from. We also advised that Block C was a candidate for replacement, but the Ministry was unable to fund at present. School Investment Package (SIP) funding is considered for investment in Block C teaching spaces. The school confirms its project manager is instructed to start work on SIP and Accelerated Modernisation Scheme-funded interior and window upgrades in Block C.

- **July 2020** – we met with the school's planner to finalise the proposed 10YPP with Priority 2 (essential infrastructure) projects prioritised for years 1-5 and Block C identified for replacement in the future. We also met with school and advised there was a $1.8m - $2m shortfall in Block W technology block project. We asked the school if the project could be staged or deferred which the school was not supportive of. The school confirmed the importance of proceeding with the Block W tech project, including because the temporary tech space used since the fire was resulting in a higher rate of health and safety issues with students due to its cramped nature. The Ministry supported this approach. We then met with Board and proposed solution that shortfall to be met with 2020 5YA.

- **August 2020** – Hutt Valley High School endorses the new 10YPP with $1.8m allocated to the technology block project. The 2019 roofing report informed some 10YPP projects including targeted roof repairs on Block C (as part of the project getting underway when the issue recently came to light), and Blocks A, PF, X and E1 (yet to be initiated).

- **November 2020 -** the Ministry endorsed the plan after our moderation process.

- **March 2021** – air testing carried out as part of 5YA project in Block C identify significant mould issues.

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