

PERTH AND KINROSS COUNCIL

7 May 2014

Options Appraisal For Establishment Of A New Secondary School For Perth City

**Joint Report by Executive Director (Education and Children's Services),
Executive Director (Environment) and the Head of Finance**

PURPOSE OF REPORT

Perth and Kinross is one of the fastest growing areas of Scotland. This requires the provision of services in appropriate locations to meet the increasing needs of the expanding population, resulting in the requirement to invest in new infrastructure, including schools.

This report proposes the establishment of a catchment area for the new secondary school at Bertha Park from a number of options which also consider other Perth City secondary schools. The report also details the associated funding requirements. It is proposed that the catchment area for the new school would encompass feeder primary catchments from:

- the strategic local development sites to the North and West of Perth including Bertha Park, Almond Valley and Perth West;
- school catchments to the west of the A9 including Pitcairn, Ruthvenfield, Methven, Logiealmond and Auchtergaven and;
- catchments to the South West and South of Perth including Dunbarney, Oudenarde, Forgandenny and Forteviot.

The report also recommends that the school accommodates primary school pupils initially from the Strategic Local Development sites to the North West of Perth, subject to agreement from the Scottish Futures Trust (SFT).

Council is recommended to approve that a report is submitted to a special meeting of Lifelong Learning Committee on 25 June 2014, proposing that Statutory Consultation is undertaken to establish a new secondary school on the preferred site at Bertha Park and the recommended catchment area.

There is also a proposal that a paper is brought to Council detailing implications for the primary school estate of anticipated population growth and house building.

1. BACKGROUND**1.1 Growing Perth and Kinross**

1.1.1 Perth and Kinross is one of the fastest growing areas of Scotland, and this is set to continue. Research carried out by the General Register Office for Scotland (GROS) and the TAYplan Housing Needs and Demand Assessment support this position.

- 1.1.2 The GROS 2006 based population projections identifies a 22.02% increase in the population of Perth & Kinross 2010 – 2035. This is identified as being driven by some of the highest in-migration levels in Scotland. TAYplan future housing land requirement has been based on these 2006 figures, as the 2008 and 2010 figures were considered to be significantly higher than expected. A review of the latest census results, once completed, will allow this position to be updated. An estimated date for the census figures is late 2015.
- 1.1.3 To meet this future population growth, TAYplan (2012) identifies an average build rate for 2012 – 2033 for the Perth Housing Market Area (HMA) of 510 dwellings per annum. Perth City secondaries catchment area reflects the Perth HMA. The Local Development Plan (LDP) identifies an effective housing land supply to support the delivery of this potential growth.
- 1.1.4 On 8 March 2012 the School Estate Sub-Committee of the Lifelong Learning Committee endorsed the approach taken to secure the future of the school estate (Report No. 12/113 refers). This report highlighted potential roll pressures on the school estate as a result of population growth, and detailed the strategy and measures which would be put in place to manage these pressures.
- 1.1.5 At a meeting of the Council on 18 December 2013 the Local Development Plan (LDP) was agreed (Report No 13/597 refers). The LDP promotes the sustainable development of Perth and Kinross. This requires the provision of services in appropriate locations to meet the increasing needs of the expanding population, resulting in the requirement to invest in new infrastructure, including schools.

1.2 **Establishing the New Secondary School**

- 1.2.1 Report No. 13/67 of 6 February 2013, approved at the Lifelong Learning Executive Sub-Committee instructed the Executive Director (Education and Children's Services) to bring forward a Proposal Paper in relation to the establishment of the new secondary school, and admission arrangements in terms of the Schools (Consultation) (Scotland) Act 2010 in due course.
- 1.2.2 This paper examines a number of options for establishing a catchment area for the secondary campus, by modelling pupil numbers based on house building projections.
- 1.2.3 In establishing the new secondary school, consideration needs to be given to other Perth City secondary schools, and the possibility for future catchment reviews and Statutory Consultations. Some of the options proposed in the paper will deal with the wider Perth City as part of establishing the new school at the proposed location of Bertha Park. Other options will require that catchment reviews take place at a later date, when there is more certainty over the level of population growth. In addition, infrastructure such as the Cross Tay Link Road will provide opportunities to rebalance and reconfigure catchments.
- 1.2.4 It should be noted that, due to the predicted level of population growth, there are implications for the primary school estate. These may include catchment reviews, but specifically a requirement for a number of new primary schools and extensions to existing primary schools. This will result in capital requirements

but also ongoing revenue pressures. A paper which details the strategy for resourcing additional capacity in the primary school estate, will be submitted to Council at a later date.

1.3 Key Milestones and Decisions

The following key milestones and decisions have informed this report:

- **January 2012 – Proposed Local Development Plan published.** This plan was the settled view of the Council. The plan contained two sites, (H70) Perth West and (H7) Bertha Park, which had a developer requirement to include a secondary school on site.
- **February 2012 – Announcement of Phase 3 of the Scotland’s Schools for the Future (SFT) programme.** Ministers intended that this phase of funding should be focused on poor condition, unsuitable schools or acute accommodation pressures.
- **March 2012 – Pressures on School Estate highlighted to Lifelong Learning School Estate Sub-Committee.** The Committee endorsed the approach taken to secure the future of the school estate (Report No. 12/113 refers) including accessing funding through the SFT programme.
- **July 2012 – Approval of Submission of Bid for Funding for a New Secondary School by Executive Sub-Committee of the Strategic Policy and Resources Committee.** (Report No. 12/299 refers). The bid was for the secondary element of a new school for the north and west of Perth and would provide accommodation for 1100 pupils.
- **September 2012 – Funding of £15.333m towards the New Secondary School confirmed by the Cabinet Secretary for Education and Lifelong Learning.** Funding would be made available for two thirds of the cost of the new secondary school.
- **December 2012 – Capital Expenditure of £7.667m towards the cost of the New Secondary School approved by Council.** The meeting of the Council on 19 December 2012 approved additional capital expenditure to progress a number of significant capital infrastructure projects, considered to be of a high priority for the Council (Report No. 12/586 refers). This included £7.667m towards the capital cost of the new secondary school.
- **January 2013 – Confirmation of March 2018 as the deadline for completion of the New Secondary School.** As part of the funding offer, the Scottish Futures Trust (SFT) confirmed that the construction of the new secondary school will require to be complete and operational by the end of March 2018. (Letter from Scottish Government Learning Directorate to the Chief Executive 17 January 2013)

- **February 2013 – Bertha Park is noted as the preferred location for the all through campus.** On 6 February 2013, the Executive Sub-Committee of the Lifelong Learning Committee, noted the location of the new secondary school (Report No. 13/67 refers). The preferred location can only be approved following a Statutory Consultation process.
- **October 2013 – The Reporter’s recommendations on the Local Plan Examination leaves Bertha Park as the only new site suitable for a secondary school. (H70)** Perth West was reduced to 550 houses, as it was not considered to be an effective development site during the lifetime of the plan.
- **December 2013 – Full Council approves the content of the Local Development Plan.** The LDP is provided to Scottish Ministers for a period of six weeks for review.
- **February 2014 – the new Local Development Plan (LDP) is adopted.** Bertha Park is the only site which has a developer requirement to make provision for a secondary school on site.

1.4 The Need for a New Secondary School – Projected Pupil Numbers

1.4.1 Projections based on existing pupil numbers, ie those already within our primary and secondary schools, suggest that without any house building our secondary schools will be near to capacity in 2021 and that a solution is therefore required. In particular, Perth High School will be at capacity in 2017/2018. Table 1 below refers.

School Name	Capacity	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021
Perth Academy	1218	998	996	990	996	993	998	1041
Perth Grammar School	1182	997	989	1013	1034	1033	1034	1053
Perth High School	1546	1450	1477	1505	1552	1575	1664	1710
Total	3946	3445	3462	3508	3582	3601	3695	3804

1.4.2 In addition to projected pupil numbers, the impact of house building on the secondary population must be considered. These include current planning applications, strategic sites and smaller sites within the LDP. The following table (table 2) gives an indication of the potential impact of population growth and house building on Perth City Schools over the lifetime of the LDP to 2024 and beyond. The table shows that if 50% of the planned housing were to be built, the Perth City secondary schools would be over capacity by 758 pupils.

The remaining spaces in a school are calculated by taking the Highest Projected Roll (column d) adding the number of pupils generated if 50% of houses were built in the catchment (column e), and subtracting the existing school capacity (column f). In table 2 all schools have run out of capacity.

Table 2 – Strategic and other sites impacting on Perth City schools’ future capacity

Secondary school catchment	Site	No of houses	No of pupils if 100% build out	No of pupils if 50% build out	Highest projected rolls (current children in schools)	Potential roll including impact of 50% build out	School Capacity	Pupil spaces remaining 2024 and beyond assuming 50% build out
		(a)	(b)	(c)	(d)	(e)	(f)	(g)
Perth Grammar School (PGS)	Bertha Park (H7)	3000+	450	225				
	Perth West (H70)	550	82	41				
	Almond Valley (H73)	1500	225	112				
	Luncarty	300	45	22				
	Stanley	280	42	21				
	Tulloch	400	60	30				
	Current received planning applications	900	135	68				
TOTAL PGS		6930	1039	519	1053	1572	1182	-390
Perth Academy (PA)	Oudenarde	1600	240	120				
	Scone North	700	105	53				
	Scone area	150	23	11				
	Current received planning applications	550	83	41				
TOTAL PA		3000	451	225	1041	1266	1218	-48
Perth High School (PHS)	Craigie	200	30	15				
	Dunbarney	170	26	13				
	Current received planning applications	1700	255	128				
TOTAL PHS		2070	311	156	1710	1866	1546	-320
TOTAL		12000	1801	900	3804	4704	3946	-758

1.4.3 Assessing the build out rate of new houses is challenging. In considering the impact on Perth City secondaries over time, the average build out rate of the last ten years and the Tayplan average were compared. Both averages assume that Perth City secondaries will be over capacity by 2019 (Table 3 below).

Table 3 – Projected operational date of new secondary

Method	Basis	Session over capacity	Capacity Short By
Average Build out rate based on previous 10 years (365 houses per annum)	This is based on the assumption that build out rates will take place on an average of 365 houses per annum – this average is based on the last 10 years.	2019/20	132
Tayplan Average (projected future at 510 houses per annum)	This is based on the assumption that build out rates will take place on an average of 510 houses per annum	2018/19	114

1.4.4 The information contained in tables 1, 2 and 3 projects the requirement for a new secondary school for 1100 pupils, potentially from 2019, based on current pupil number projections and anticipated house building. In particular, the Strategic Local Development Sites to the North West and West of Perth will require space for 750 pupils on completion.

1.4.5 It should be noted that past trends may not be replicated in the future as development will be impacted by the economy, population increase, demand in the housing market and infrastructure capacity, and therefore there is a uncertainty about the scale and timing of house building and therefore pupil numbers.

2. PROPOSALS – ESTABLISHING THE NEW SECONDARY SCHOOL

2.1 Methodology

2.1.1 A high level appraisal has been carried out on a number of options for populating the proposed new secondary school. Details are contained in Appendix A. The appraisal considers:

- Pupil numbers: These are based on an analysis of projected pupil rolls together with potential additional pupil numbers from future house building, using both anticipated maximum and anticipated minimum build out rates for the sites associated with each of the options;
- Financial information: including the ongoing net total revenue costs (table 7 and Appendix C) and capital costs (Section 2.6 and Appendix C);
- Strengths and weaknesses: which consider educational and wider Council objectives including the vision of growing Perth and Kinross, supporting housing land supply and contributing to traffic reduction in Perth City.

- 2.1.2 Each option explores different catchment alternatives which may have an impact on current secondary school rolls, and may also impact on children and families in respect of convenience and travel plans. The catchment alternatives intend, as far as possible, to minimise the level of change for pupils and families and maintain existing community ties.
- 2.1.3 The options are also ranked on the basis of a set of criteria which have been weighted according to their importance.

The Criteria and their weightings are:

- **Support a positive educational and social environment in Perth City Schools**

The scores here relate to delivering the curriculum, and the social benefits of 'mixing' pupils from rural and city locations.

Weighting: 25

The educational and social benefit to the pupils of each of the options is considered the most important factor in defining new catchment areas for schools.

- **Reconfigures the pupil population in Perth City Schools**

This considers the pupil population of all Perth City Schools including Bertha Park. It considers the capacity within each of the schools and whether they can support additional pupil numbers. Options which deal positively with pupil population at a number of schools will score well in this option.

Weighting: 20

This is weighted relatively highly in order that options which can 'future proof' the secondary school estate are given precedence over those where future reviews and statutory consultations would have to take place.

- **Cost Effective**

This criteria considers the ongoing revenue costs for the school.

Weighting: 15

This criteria is important because the Council faces financial challenges related to uncertainties surrounding revenue grant settlements and additional revenue budget pressures, some based on population growth, which are not quantifiable at this time.

- **Maintains social/historical/geographical links**

There is an assumption that communities which attend the same secondary school and are close geographically would prefer to remain together. This also considers 'place' and the importance of the school 'serving' the local community. Options which propose primary school catchments near the site of the new school will score better against this criteria.

Weighting: 15

Place and community are important aspects for the school estate and where it is possible to provide a sense of place and community through the location or population of a school, this should be a priority.

- **Minimises travel time for pupils/supports walking to school/ Improve Traffic Management and Air Quality in Perth City**

School transport has an impact on the air quality in Perth City. Walking to school is supported for health reasons. This criteria will be scored based on the number of pupils no longer travelling into Perth City (air quality), the number of pupils who can walk to school and time taken to travel to school.

Weighting: 15

Improving air quality is one of the Council's strategic objectives.

- **Provides sufficient capacity for Bertha Park, Almond Valley and Perth West Pupils in the new school**

There is the possibility that if too many pupils from other catchments attend the new secondary school at Bertha Park, it will not be possible for local children to attend the school. Options will score well against this criteria when they leave more capacity in the school for the strategic local development sites.

Weighting: 10

This is weighted less than other criteria on the basis that it would still be possible for the pupils to attend another school if required and that this is likely to be a long term issue rather than imminent.

2.2 Assumptions

The following assumptions have been made with regard to the options:

- 0.15 secondary school pupils per house is the ratio used by PKC as a multiplier, with the house build out rates to provide anticipated maximum and anticipated minimum pupil numbers for each year;
- The 0.15 ratio is the average number of secondary pupils generated from new house building, and is based on a 2008 analysis of all new house building across Perth and Kinross in the previous 10 year period;
- The 0.15 ratio includes pupils attending denominational schools, this would equate to 0.01 pupils attending a denominational school per household. St Johns Roman Catholic secondary school has capacity to accommodate this ratio;
- All pupils in the catchment areas will choose to go to their allocated school. The approximate totality of each primary school is attached at Appendix B; However it is recognised that there will be placing requests and this has been identified as a risk for all options;
- P7 pupils being zoned to a new secondary catchment will do so from 2018 onwards, as they become S1 pupils. S2 to S6 secondary pupils from the same primary catchment will get the option to continue to attend their current secondary;

- The size of the building is based on square meterage per pupil, which is a Scottish Futures Trust (SFT) metric.
 - Ø 401 - 800 pupils = 12m² and
 - Ø 800 - 1200 pupils = 11m²
 - Ø The size of the secondary school for 1100 pupils is 12,100m².
- The cost of building the school is £1900 per m²; also an SFT metric. The total cost of an 1100 capacity secondary school is therefore approximately £23m. Note that there is no allowance for inflation in this metric.
- Where realigning primary school catchments away from existing secondaries, the equivalent budget will be transferred to the new school (with the pupils) and the attached estimated revenue costs (Section 2.6) account for this.

2.3 Options Overview

The following options are considered:

2.3.1 Option 1a – 1f: New secondary school at Bertha Park for 2018 (Capacity for 1100 pupils including places for pupils with additional support needs.)

- a) A catchment area primarily for the new LDP housing at Bertha Park, Almond Valley and Perth West, and pupils within walking/cycling distance in Pitcairn and Ruthvenfield primary school catchments;
- b) A catchment area for the new LDP housing at Bertha Park, Almond Valley and Perth West, and pupils within walking/cycling distance in Pitcairn and Ruthvenfield and also the Carse of Gowrie primary catchments including: Errol, Inchtute, St Madoes, Abernyte, Invergowrie and Longforgan. The Carse primaries currently feed to Perth High School ;
- c) A catchment area for the new LDP housing at Bertha Park, Almond Valley and Perth West, and pupils within walking/cycling distance in Pitcairn and Ruthvenfield and the 'A9 corridor' primary catchments including: Luncarty, Stanley, Murthly, Auchtergaven together with Methven and Logiealmond. These catchments currently feed to Perth Grammar School;
- d) A catchment area for the new LDP housing at Bertha Park, Almond Valley and Perth West, and pupils within walking/cycling distance in Pitcairn and Ruthvenfield and the 'A9 corridor' primary catchments including: Luncarty, Stanley, Murthly, Auchtergaven. This option excludes Methven and Logiealmond;
- e) A catchment area for the new LDP housing at Bertha Park, Almond Valley and Perth West, and pupils within walking/cycling distance in Pitcairn and Ruthvenfield and North West Perth catchments including: Auchtergaven, Methven and Logiealmond. This option excludes Perth Grammar School primary feeders, where the population (and school) is currently to the East of the A9;

- f) A catchment area for the new LDP housing at Bertha Park, Almond Valley and Perth West, and pupils within walking/cycling distance in Pitcairn and Ruthvenfield and North West Perth catchments including: Auchtergaven, Methven and Logiealmond. This option also includes Oudenarde (Perth Academy) and Dunbarney, Forteviot and Forgandenny (Perth High School).

2.3.2 Option 2: Proceed with New Secondary School at Bertha Park at a future date (Capacity for 1100 pupils including places for pupils with additional support needs.)

This option would involve maintaining a watching brief on house building and proceeding with the project when additional capacity is certain. The funding of £15.333m from SFT would not be available for this option.

2.4 Options Appraisal Summary

2.4.1 The following table (table 4) details the anticipated maximum and anticipated minimum pupil numbers for each of the options based on house building, and projected pupil rolls. House building figures for each option are based on a site-by-site analysis. They are based on an estimated start date on site and build rates for individual years. They are not comparable with the figures used in table 2, which are high level and illustrative. The detailed options information in Appendix A uses the site-by-site projections contained in table 4.

Table 4 – Anticipated Maximum and Anticipated Minimum Numbers of Pupils for each option over time

	Bertha Park, Almond Valley, Perth West, Ruthvenfield and Pitcairn	Bertha Park to include: Bertha Park, Almond Valley, Perth West, the Carse, Ruthvenfield and Pitcairn	Bertha Park, Almond Valley, Perth West, A9 corridor, Ruthvenfield, Pitcairn, Methven and Logiealmond	Bertha park, Almond Valley, Perth West, Ruthvenfield, Pitcairn, Luncarty, Stanley, Auchtergaven, Murthly	Bertha Park, Almond Valley, Perth West, Ruthvenfield, Pitcairn, Auchtergaven, Logiealmond, Methven	Bertha Park, Almond Valley, Perth West, Oudenarde Ruthvenfield, Pitcairn, Auchtergaven, Logiealmond, Methven, Dunbarney, Forteviot, Forgandenny	Delay Secondary School Build
	1a	1b	1c	1d	1e	1f	2
Pupil Nos 2018 (anticipated maximum)	121	198	235	216	162	231	n/a
Pupil Nos 2018 (anticipated minimum)	55	132	169	150	96	141	n/a

	Bertha Park, Almond Valley, Perth West, Ruthvenfield and Pitcairn	Bertha Park to include: Bertha Park, Almond Valley, Perth West, the Carse, Ruthvenfield and Pitcairn	Bertha Park, Almond Valley, Perth West, A9 corridor, Ruthvenfield, Pitcairn, Methven and Logiealmond	Bertha park, Almond Valley, Perth West, Ruthvenfield, Pitcairn, Luncarty, Stanley, Auchtergaven, Muirthly	Bertha Park, Almond Valley, Perth West, Ruthvenfield, Pitcairn, Auchtergaven, Logiealmond, Methven	Bertha Park, Almond Valley, Perth West, Oudenarde Ruthvenfield, Pitcairn, Auchtergaven, Logiealmond, Methven, Dunbarney, Forteviot, Forgandenny	Delay Secondary School Build
	1a	1b	1c	1d	1e	1f	2
Pupil Nos 2024 (anticipated maximum)	479	1013	1061	947	695	1070	444
Pupil Nos 2024 (anticipated minimum)	179	713	761	647	395	665	144
Pupil Nos 2030 (anticipated maximum)	794	1310	1409	1295	1022	1487	759
Pupil Nos 2030 (anticipated minimum)	322	838	937	823	550	868	286

2.4.2 The following table (5) details the options considered and summarises the appraisal of each option.

Table 5 – Summary of Options

Option	Description	Outcome
1a	North West Perth LDP sites plus <ul style="list-style-type: none"> Ruthvenfield and Pitcairn 	<p>Pros</p> <ul style="list-style-type: none"> Capacity to accommodate potential pupils from other strategic sites when they develop Local pupils can walk to school <p>Cons</p> <ul style="list-style-type: none"> Proposed catchment will not populate the school and, in the anticipated minimum scenario, there will be only 55 pupils in 2018

Option	Description	Outcome
	<p>Consequences:</p> <ul style="list-style-type: none"> • Minimal impact on Perth Grammar School (pupil roll, education benefit) • Perth High School capacity issue needs managed in the short-term • Statutory Consultation required for Perth Grammar School catchment • Future catchment review required to resolve Perth High School capacity issue • Capacity available to LDP West sites approximately 950 (requirement of 750 if all sites build out completely) • New school not at capacity in the medium term 	
1b	<p>North West Perth LDP sites plus</p> <ul style="list-style-type: none"> • Inchturie • Errol • St Madoes • Abernyte • Invergowrie¹ • Longforgan² • Ruthvenfield • Pitcairn <p>Consequences:</p> <ul style="list-style-type: none"> • Minimal impact on Perth Grammar School (roll, education) • Carse of Gowrie feeder schools kept together • Solves future Perth High School capacity issue • Statutory Consultation required for Perth Grammar School and Perth High School catchments • No Future catchment reviews required • Capacity available to LDP West sites approximately 440 (58% of requirement if sites build out completely) 	<p>Pros</p> <ul style="list-style-type: none"> • Deals with capacity issues at Perth High School • Fewer pupils at Perth High School allows sites at Broxden and Bridge of Earn to be accommodated in the school when they develop <p>Cons</p> <ul style="list-style-type: none"> • Bertha Park is approximately 1.5 miles further than Perth High School to travel for Carse of Gowrie pupils • Pupils travelling in from the A85 will pass the school to attend Perth Grammar School • Pupils from the A9 corridor will not attend the new school

¹ Invergowrie Primary School pupils can choose to attend Perth High School or Harris Academy. All pupils usually attend Harris Academy.

² Longforgan Primary School pupils can choose to attend Perth High School or Menzieshill High School. The majority of pupils usually attend Menzieshill High School.

Option	Description	Outcome
	<ul style="list-style-type: none"> The new school may be at capacity circa 2035³ 	
1c	North West Perth LDP sites plus <ul style="list-style-type: none"> Luncarty Stanley Auchtergaven Murthly Ruthvenfield Pitcairn Methven Logiealmond 	Pros <ul style="list-style-type: none"> A9 corridor, Methven and Logiealmond pupils attend school closer to home Contributes to improved air quality and traffic management in Perth City Cons <ul style="list-style-type: none"> Fewer pupils attending Perth Grammar School, impacting on the educational environment
	Consequences: <ul style="list-style-type: none"> Reduces Perth Grammar School roll by approximately 640 pupils over a 6 year period, impacting on the educational environment A9 corridor schools kept together Statutory Consultation required for Perth Grammar School catchment Future Perth City wide catchment reviews required to reconfigure Perth Grammar school Perth High School capacity issue needs managed in the short-term Capacity available to LDP West sites approximately 460 (61% of requirements if sites build out completely) this figure includes house building from developments at Luncarty and Stanley The new school may be full to capacity circa 2031 	
1d	North West Perth LDP sites plus <ul style="list-style-type: none"> Luncarty Stanley Auchtergaven Murthly Ruthvenfield Pitcairn 	Pros <ul style="list-style-type: none"> Lessens impact on Perth Grammar School but not significantly Cons <ul style="list-style-type: none"> Methven and Logiealmond pupils pass new secondary on journey to Perth Grammar School
	Consequences: <ul style="list-style-type: none"> Reduces Perth Grammar School roll by approximately 528 pupils over a 6 year period, impacting on educational environment Local schools, Methven and Logiealmond not included with other Perth Grammar rural pupils Statutory Consultation required for Perth Grammar School catchment Future Perth City catchment reviews required to reconfigure Perth Grammar school Perth High School capacity issue needs managed in the short-term Capacity available to LDP West sites approximately 452 (60% of requirements if sites build out completely) The new school may be full to capacity circa 2035 	
1e	North West Perth LDP sites plus	Pros <ul style="list-style-type: none"> Lessens impact on Perth

³ Note that the dates detailed in the consequences for capacity are an average based on the anticipated minimum and anticipated maximum pupil numbers detailed in table 4

Option	Description	Outcome
	<ul style="list-style-type: none"> • Auchtergaven • Methven • Logiealmond • Ruthvenfield • Pitcairn 	<p>Grammar School compared with other options</p> <ul style="list-style-type: none"> • North West Perth pupils attend school closer to home • Contributes to improved air quality and traffic management in Perth City <p>Cons</p> <ul style="list-style-type: none"> • Luncarty, Stanley, Murthly pupils are separated from other local catchments
<p>Consequences:</p> <ul style="list-style-type: none"> • Reduces Perth Grammar School roll by approximately 370 pupils over a 6 year period • Auchtergaven catchment separated from Murthly, Stanley and Luncarty catchments • Statutory Consultation required for Perth Grammar School catchment • Further statutory consultations and catchment reviews will be required to reconfigure Perth City secondaries • Perth High School capacity issue needs managed in the short-term • Capacity available to LDP West sites approximately 730 (97% of requirements if sites build out completely) • The new school may be full to capacity circa 2045 		
1f	<p>North West Perth LDP sites plus Oudenarde plus</p> <ul style="list-style-type: none"> • Auchtergaven • Methven • Logiealmond • Ruthvenfield • Pitcairn • Dunbarney • Forteviot • Forgandenny 	<p>Pros</p> <ul style="list-style-type: none"> • Alleviates future pressure on Perth High School pupil roll • Lessens impact on Perth Grammar School compared with other options • Oudenarde and Dunbarney will feed to same secondary school <p>Cons</p> <ul style="list-style-type: none"> • Luncarty, Stanley, Murthly pupils are separated from other local catchments on the A9 • Abernethy is separated from Dunbarney, Oudenarde
<p>1f Consequences:</p> <ul style="list-style-type: none"> • Perth Grammar School impact on roll minimised (reduces by approximately 370 pupils over a 6 year period) • Oudenarde and Dunbarney pupils attend the same secondary school • Abernethy is separated from Dunbarney and Oudenarde • Solves Perth High School capacity issue (reduces by approximately 270 pupils) • Statutory Consultation required for Perth Grammar School, Perth High School and Perth Academy • No further catchment reviews required • Capacity available to LDP West sites approximately 460 (61% of requirements if sites build out completely) • Oudenarde development must be factored in, so capacity available for LDP West and Oudenarde is 43% of requirements • The new school may be full to capacity circa 2031 		

Option	Description	Outcome
2	Proceed with new secondary school at Bertha Park at a future date	<p>Pros</p> <ul style="list-style-type: none"> • Delays revenue pressures • Makes £7m capital available to other projects in the short term <p>Cons</p> <ul style="list-style-type: none"> • Fails to use SFT funding of £15m unless an alternative use for the funding is possible • Could jeopardise future bids for funding • Developer at Bertha Park may not support delay
<p>2 Consequences</p> <ul style="list-style-type: none"> • Perth City schools may be full to capacity by 2019 if house building proceeds in line with averages detailed in 1.4.3 • This option would require to be fully funded by the Council, unless there were later opportunities for funding 		

2.4.3 To facilitate the options appraisal, key criteria have been developed which have been weighted and assessed in order to rank the options, these are detailed in 2.1.3. The process is as follows:

1. In line with Audit Scotland guidelines⁴, the weighting for the criteria as a whole is set at 100.
2. A weighting is allocated to each criteria based on its importance.
3. Each option is then allocated a score between 1 and 5 for each criteria based on how well they meet the criteria.
4. The score is then multiplied by the weighting to give a weighted score for each criteria and each option
5. The weighted scores for each option are totalled.
6. Each option is ranked with the highest score being ranked as number 1.

⁴ Options Appraisal are you getting it right? Accounts Commission Prepared by Audit Scotland March 2014

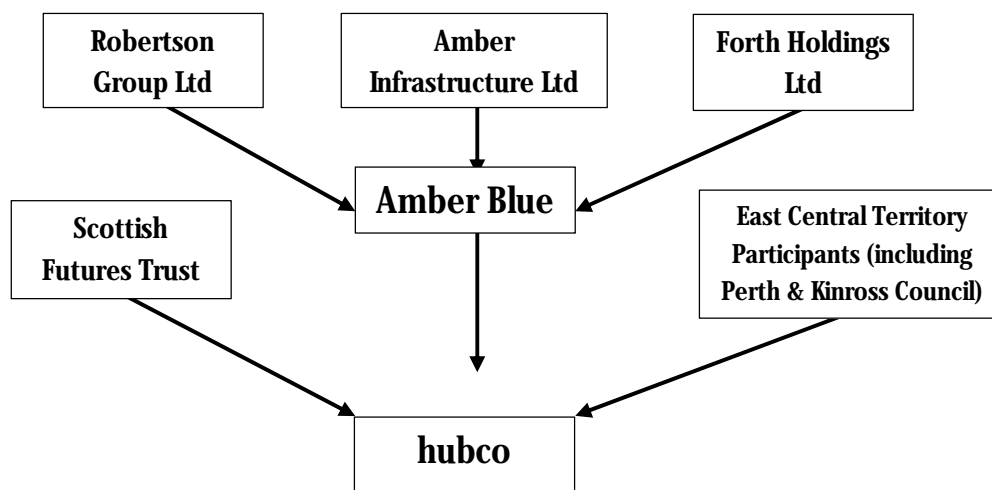
Criteria	1a		1b		1c		1d		1e		1f		2
Supports a positive educational and social environment in Perth City schools	2	50	4	100	2	50	2	50	3	75	4	100	n/a
	3	45	3	45	3	45	3	45	3	45	3	45	n/a
Cost effective													
	4	60	3	45	5	75	4	60	4	60	3	45	n/a
Maintains social/historical/geographical links between communities													
	3	45	4	60	5	75	5	75	3	45	4	60	n/a
Minimises travel time for pupils/supports walking to school, improves air traffic quality in Perth City													
	3	60	3	60	2	40	2	40	3	60	5	100	n/a
Reconfigures the pupil population across Perth City Schools													
	5	50	3	30	3	30	3	30	5	50	2	20	n/a
Provides sufficient capacity for Bertha Park, Almond Valley and Perth West pupils in new school													
	100	310		340		315		300		335		370	
RANKING		5		2		4		6		3		1	

2.5 Proposed Option

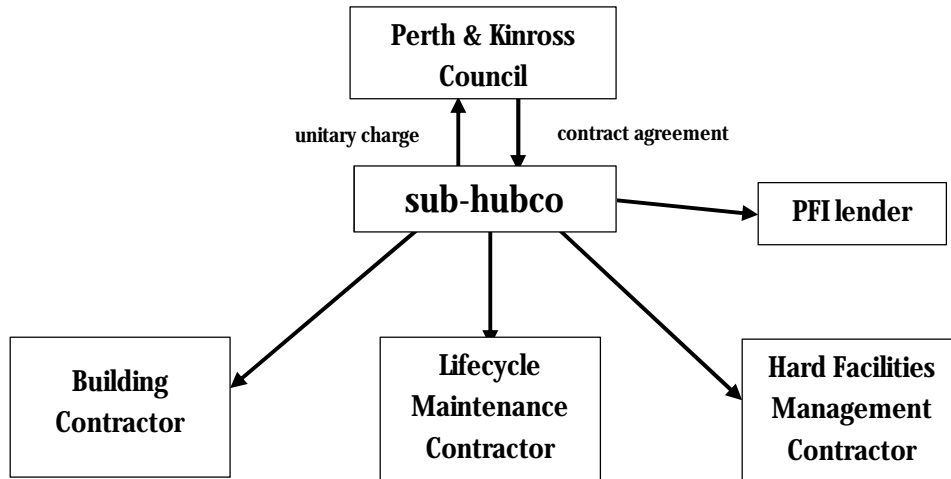
- 2.5.1 Based on current pupil projections and future house building potential, a new school is required for Perth City in 2019. In particular, Perth High School will be full based on current and projected pupil numbers. The financial analysis confirms the benefit of utilising SFT funding for the project and therefore **Option 2**, delaying the project is not the preferred option.
- 2.5.2 There is a risk that **Option 1a**, which includes children from the strategic LDP sites of Bertha Park, Perth West and Almond Valley and primary schools within walking distance (Pitcairn and Ruthvenfield), would not have sufficient pupils in 2018 to make the school feasible on an educational or facilities management basis. This should therefore be excluded.
- 2.5.3 **Option 1b**, which would populate the school with a mixture of pupils from the strategic LDP sites and pupils from the Carse of Gowrie, has the advantage of dealing with future capacity issues at Perth High School immediately, and does not impact Perth Grammar School pupil numbers. It is not the best option in terms of the community/place criteria.
- 2.5.4 **Options 1c and 1d** propose populating the new school with pupils from the north, north west and west of Perth, which would deal with air quality, traffic management and pupil travel issues. These options would impact significantly on pupil numbers, and the social and educational environment at Perth Grammar School. There would have to be a review of Perth City school catchments, in order to further reconfigure school rolls at Perth Grammar School, Perth High School and Perth Academy.
- 2.5.5 **Option 1e**, which does not include Luncarty, Stanley and Murthly in the catchment for the new school, has less impact on the pupil numbers at Perth Grammar School. It does not alleviate pressure on Perth High School. This option would delay a city wide catchment review until a more certain view of population growth can be taken, and take advantage of the new road links and bridges in considering travel options.
- 2.5.6 **Option 1f** proposes including catchment primary schools from Perth High School to the south west and south of Perth including Dunbarney, Forteviot, Forgandenny and Oudenarde. This provides a solution for Perth High School capacity issues, and has less impact on Perth Grammar School pupil numbers, as per Option 1e. This option allows Dunbarney and Oudenarde pupils to attend the same secondary school.
- 2.5.7 **On the basis of ranking the options against the criteria, the preferred option is Option 1f.**
- 2.5.8 In terms of good asset and financial management, the preference would be to delay the building of primary schools at Bertha Park, Almond Valley and Perth West and accommodate primary age children in the proposed new secondary on an interim basis, allowing the developers contributions to accrue.

2.6 Financial Implications

- 2.6.1 The cost of building the new secondary school is estimated at £23m. The Council is required to fund 1/3 of the total cost, ie £7.667m, and the Scottish Government will provide support for the remaining £15.333m. The Scottish Futures Trust (SFT) manages the Scotland's Schools for the Future investment programme on behalf of the Scottish Government, and the Scottish Government support is managed through a Design, Build, Finance & Maintain (DBFM) model used by SFT.
- 2.6.2 The use of a DBFM model will result in the Council contributing £7.667m towards the £23m cost of the new school from the Capital budget, as detailed in Section 2.6.5. The remaining cost of construction, ie £15.333m, is funded by HubCo and recharged to the Council over the 25 year term of the agreement. The annual recharge to the Council is otherwise known as a unitary charge, and is to be met from the Revenue budget; the Scottish Government will provide an equivalent Revenue Support to offset the cost. A summary of the estimated net Revenue cost for the Council is shown in Section 2.6.7, and further detail is provided within Appendix C.
- 2.6.3 The Scottish Futures Trust (SFT), which was established by the Scottish Government in 2008 to improve investment in public sector infrastructure, manages the Scotland's Schools for the Future investment programme on behalf of the Scottish Government. The delivery of the school programme is facilitated via hub East Central Scotland Limited (HubCo) which is a joint partnership between public and private sector organisations and comprises SFT, hub East Central Territory Participants, and Amber Blue. Hub East Central Territory Participants are public sector organisations within Tayside, Fife and Forth Valley areas, and include Perth & Kinross Council. Amber Blue is a private sector consortium comprising Robertson Group Ltd, Amber Infrastructure Ltd, and Forth Holdings Ltd, and is the Private Sector Development Partner for HubCo. The Executive Director (Environment) is the appointed representative for the Council on the hub East Central Territory Partnering Board (Report No. 11/606 to Strategic, Policy & Resources Committee 30 November 2011 refers); the HubCo Board includes a Director from the hub East Central Territory Partnering Board. A summary of the relationship between the parties is represented in the following diagram:



2.6.4 Project funding for the new secondary school is the responsibility of HubCo and the Council will be engaged at the appropriate time to negotiate and finalise the terms prior to financial close. A sub-HubCo will be established and will be responsible for managing all unitary charge payments and finance arrangements. The Council is therefore paying the sub-HubCo for a service for the lifetime of the 25 year contract, ie the construction and operation of the secondary school, and the arrangement is represented as follows:



2.6.5 The base £23m construction cost of the secondary school is based upon SFT metrics, as detailed in Section 2.2 of this report, and excludes the cost of land acquisition. The Scottish Government funding conditions confirm that no financial support will be provided for land acquisition and initial preparatory works. No land acquisition cost is included in the construction cost and this will be updated as negotiations with developers' progress. It is proposed that any acquisition cost of land is funded from the Modernising Secondaries programme budget included within the current 7 year Composite Capital Programme.

2.6.6 The terms of Scottish Government funding require the Council to pay HubCo 1/3 of the construction cost of the new school, ie £7.667m, following completion of the building. The New Secondary School project and £7.667m capital budget is included within the 7 year Composite Capital Programme following approval of the Composite Capital Budget – Additional Capital Expenditure report to Council on 19 December 2012 (Report No.12/586 refers). The report also confirmed that the £7.667m contribution would be funded by Council borrowing. In addition, the terms of funding include that the Scottish Government will provide Revenue Support (subject to agreed limits) during the term of the agreement which will be offset against a number of costs contained within the unitary charge. No Revenue Support will be provided for hard facilities management and lifecycle maintenance costs, eg planned preventative maintenance for electrical and heating systems. The estimated annual cost for hard facilities management and lifecycle maintenance is £300k per annum; these are costs which will have to be met from the Council Revenue budget, and are included in the financial summary provided in Section 2.6.7.

2.6.7 The £23m construction cost is based upon SFT metrics at 2012 and the Council will be required to meet its 1/3 share of any cost increase due to inflation from 2012 to the point of construction. It is estimated that the cost increase will be approximately £3m, and it is proposed that the Council share, ie £1m, will be met from the Modernising Secondaries programme budget included within the current 7 year Composite Capital Programme.

2.6.8 A summary of the estimated financial impact on the Council Revenue budget in the years 2018, 2024 and 2030 is illustrated in Table 7, and additional detail is provided in Appendix C. These costs are based on the anticipated minimum pupil scenario for each option. There is currently no provision for any of these costs within the Councils Revenue Budget and it is proposed that the projected Revenue budget pressure will be managed through future budget processes, bearing in mind that the pressure arising from increasing the secondary school portfolio will be in addition to uncertainties surrounding future Scottish Government Revenue grant settlements, estimates for population growth, and additional Revenue budget pressures which are not readily quantifiable at this time.

Table 7 – Estimated Net Revenue Cost to the Council at 2018, 2024, and 2030

	Option 1a	Option 1b	Option 1c	Option 1d	Option 1e	Option 1f	Option 2
2018 Net Total Revenue Cost	2.578	2.443	2.529	2.526	2.491	2.466	0.000
2024 Net Total Revenue Cost	2.479	2.957	3.186	3.152	2.803	2.957	3.860
2030 Net Total Revenue Cost	3.084	3.357	3.722	3.622	3.198	3.001	4.460

Estimates included within the Net Total Revenue Cost:

- Perth & Kinross Council Loan Charges
- Hard facilities management and lifecycle maintenance cost (£0.3m per annum)
- School costs - including teaching staff, administrative and technical support staff, property, supplies and services and staff transport
- Scottish Government Revenue Support

2.7 Issues

There are a number of issues associated with the project and Option 1f, which must be addressed:

Table 8 – Project Issues

Issue	Action
Populating the school prior to March 2018 as per SFT requirements requires that pupils change school in the middle of a school year	Business change element of project needs to consider at an early stage.
The land for the proposed new secondary school may incur a cost	Early discussions with developers regarding developer contributions

2.8 Significant Project Risks

The following significant risks have been identified in relation to the establishment of the new secondary school based on the proposed Option 1f. Further risks are included in Appendix D.

Table 9 – Significant Project Risks

Risk	Impact	Probability	Mitigation
SFT may withdraw funding if completion timescales are not met	High	Low	Resource project sufficiently Design work begins as early as possible
A9/A85 roads infrastructure may not be complete by 2018 in order to provide access for school pupils	High	Low	Phasing of roads infrastructure to complete access over the Almond first
The outcome of the statutory consultation may be that the proposed re-alignment of catchments is not agreeable	High	Medium	Consider alternative/contingency proposals

2.9 Timescales

The SFT funding is time limited. The requirement is that the school will be operational by March 2018. Key milestones include:

Table 10 – Key Project Milestones

Key Milestone	Date
Submit New Project Request to HubCo	August 2014
Statutory Consultation Commences	August 2014
Statutory Consultation Final Approval	May 2015
Detailed design (Stage 2) approved	September 2015
Financial Close	March 2016
Construction start	April 2016
First Phase Road to school complete (incl bridge of River Almond)	December 2016
New School Operational	March 2018

Appendix E contains a detailed timeline for the overall project. Appendix F contains the Statutory Consultation proposed timeline.

3. CONCLUSION

- 3.1 Perth and Kinross is one of the fastest growing areas of Scotland and there is a continuing impact on the capacity of the primary and secondary school estate.
- 3.2 The Council has previously agreed the requirement for a new secondary school, the part funding (£7.667m) of the school and the preferred location. (Section 1.3 refers).
- 3.3 £15.333m will be made available from the Scottish Government to part fund the new secondary, this requires that the new school is completed and operational by the end of March 2018.
- 3.4 Options have been developed which detail how the school might be populated over a period of time from 2018 onwards. The catchment alternatives used in the options intend, as far as possible, to minimise the level of change for pupils and families and maintain existing community ties. Each of the options has also been ranked according to a set of criteria considered important in the establishment of the new school.
- 3.5 The preferred Option 1f proposes populating the school from local schools to the West of the A9, which are: Methven; Logiealmond; Pitcairn; Ruthvenfield and Auchtergaven, and the strategic sites at Bertha Park, Almond Valley and Perth West. In addition, pupils will be accommodated from Dunbarney, Oudenarde, Forteviot and Forgandenny. This option balances pupil numbers across the Perth City schools, and in particular, deals with projected capacity issues at Perth High School.
- 3.6 It is proposed that the new secondary accommodates primary pupils from the local development sites at Bertha Park, Almond Valley and Perth West on a temporary basis, subject to agreement from SFT.
- 3.7 The revenue budget implications of the new secondary school will be considered in future years' revenue budget strategies, which is consistent with the approach approved by the Council on 19 December 2012 when it approved the Composite Capital Budget – Additional Capital Expenditure (Report No. 12/586 refers).
- 3.8 In order to meet the timescales required for the school, statutory consultation will have to begin by August 2014. Approval to commence statutory consultation will be required at a special meeting of the Lifelong Learning Committee on 25 June 2014.
- 3.9 Population growth and associated house building will continue to impact on Perth City secondary schools, and primary schools, over a long period of time. Infrastructure upgrades such as the Cross Tay Link Road will provide opportunities to reconfigure catchments where necessary.

4. RECOMMENDATIONS

It is recommended that:

- 4.1 Council approve that a report is submitted to a special meeting of the Lifelong Learning Committee on 25 June 2014, proposing that Statutory Consultation is undertaken on Option 1f. Option 1f will accommodate pupils from catchment areas Methven, Logiealmond, Ruthvenfield, Pitcairn and Auchtergaven, the strategic Local Development Plan (LDP) sites of Bertha Park, Perth West, Almond Valley, Oudenarde and catchment areas to the South West and South of Perth which are: Dunbarney, Forgandenny and Forteviot.
- 4.2 Council approve that primary pupils are accommodated in the secondary school (on a temporary basis) from the strategic LDP sites neighbouring the school, subject to agreement from the Scottish Futures Trust (SFT).
- 4.3 Council agree that the revenue budget implications of the new secondary school will be considered in future years' revenue budget strategies, as per section 2.6 and paragraph 3.7.
- 4.4 A report detailing the impact of population growth and house building on the primary school estate, and in particular the financial implications, should be brought to Council at the earliest possible opportunity.

Author(s)

Name	Designation	Contact Details
Carol Taylor	Service Manager (Resources)	cataylor@pkc.gov.uk
Gill Reeves	Assistant Asset Management Officer	greeves@pkc.gov.uk
Donald Coyne	Capital Accountant	dcoyne@pkc.gov.uk

Approved

Name	Designation	Date
John Fyffe	Executive Director (Education & Children's Services)	25 April 2014
Jim Valentine	Executive Director (Environment)	
John Symon	Head of Finance	

If you or someone you know would like a copy of this document in another language or format, (on occasion only, a summary of the document will be provided in translation), this can be arranged by contacting The Report Author



Council Text Phone Number 01738 442573

1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

Strategic Implications	Yes / None
Community Plan / Single Outcome Agreement	Yes
Corporate Plan	Yes
Resource Implications	
Financial	Yes
Workforce	n/a
Asset Management (land, property, IST)	Yes
Assessments	
Equality Impact Assessment	Yes
Strategic Environmental Assessment	Yes
Sustainability (community, economic, environmental)	Yes
Legal and Governance	Yes
Risk	
Consultation	
Internal	Yes
External	Yes
Communication	
Communications Plan	Yes

1. Strategic Implications

Community Plan / Single Outcome Agreement

1.1 *This section should set out how the proposals relate to the delivery of the Perth and Kinross Community Plan / Single Outcome Agreement in terms of the following priorities:*

- (i) *Giving every child the best start in life*
- (ii) *Developing educated, responsible and informed citizens*
- (iii) *Promoting a prosperous, inclusive and sustainable economy*
- (iv) *Supporting people to lead independent, healthy and active lives*
- (v) *Creating a safe and sustainable place for future generations*

This report relates to all five objectives in the Community Plan/Single Outcome Agreement.

Corporate Plan

1.2 *This section should set out how the proposals relate to the achievement of the Council's Corporate Plan Objectives.*

The Perth and Kinross Community Plan 2013-2023 and Perth and Kinross Council Corporate Plan 2013/2018 set out five strategic objectives:

- (i) Giving every child the best start in life;
- (ii) Developing educated, responsible and informed citizens;

- (iii) Promoting a prosperous, inclusive and sustainable economy;
- (iv) Supporting people to lead independent, healthy and active lives; and
- (v) Creating a safe and sustainable place for future generations.

This report relates to all five objectives in the Corporate Plan.

- 1.3 The report also links to the Education & Children's Services Policy Framework in respect of the following key policy area:

- Maximising Resources

2. Resource Implications

Financial

- 2.1 There are no direct financial implications arising from this report other than those reported within the body of the main report (primarily Section 2.5) and appendices (primarily Appendix C).

Workforce

- 2.2 There are no direct workforce implications arising from this report.

Asset Management (land, property, IT)

- 2.3 There are no direct asset management implications arising from this report other than those reported within the body of the main report. The Depute Director (Environment) has been consulted, and has indicated agreement with the proposals.

3. Assessments

Equality Impact Assessment

- 3.1 Under the Equality Act 2010, the Council is required to eliminate discrimination, advance equality of opportunity, and foster good relations between equality groups. Carrying out Equality Impact Assessments for plans and policies allows the Council to demonstrate that it is meeting these duties.

This section should reflect that the proposals have been considered under the Corporate Equalities Impact Assessment process (EqIA) with the following outcome:

- (i) Assessed as **not relevant** for the purposes of EqIA

Strategic Environmental Assessment

- 3.2 The Environmental Assessment (Scotland) Act 2005 places a duty on the Council to identify and assess the environmental consequences of its proposals.
- 3.2.1 However, no action is required as the Act does not apply to the matters presented in this report. This is because these matters relate to the School Estate Strategy which is being considered under the Act as part of The Council's Asset Management Plan.

Sustainability

- 3.3 Under the provisions of the Local Government in Scotland Act 2003 the Council has to discharge its duties in a way which contributes to the achievement of sustainable development. In terms of the Climate Change Act, the Council has a general duty to demonstrate its commitment to sustainability and the community, environmental and economic impacts of its actions.

The information contained within this report has been considered under the Act. However, no action is required as the Act is addressed through other policies which have been assessed or will be assessed in the future. These include The Council's Asset Management Plan and Corporate Energy Management and Conservation Policy.

Legal and Governance

- 3.4 The Head of Legal Services has been consulted on the proposals in this report.

Risk

- 3.5 Significant project risks are detailed in Table 9 Section 2.8. Detailed risks are contained in Appendix D.

4. Consultation

Internal

- 4.1 Services have been consulted through the Strategic Investment Group (SIG) and Executive Officer Team (EOT). A briefing meeting was held for Elected Members.

External

- 4.2 Consultation on the establishment of the new secondary school will be undertaken in terms of the Schools (Consultation) (Scotland) Act 2010.

5. Communication

- 5.1 Initial communication with stakeholders on establishment of the new secondary school will be undertaken in terms of the Schools (Consultation) (Scotland) Act 2010. Thereafter a detailed communications plan will be developed as part of the project planning.

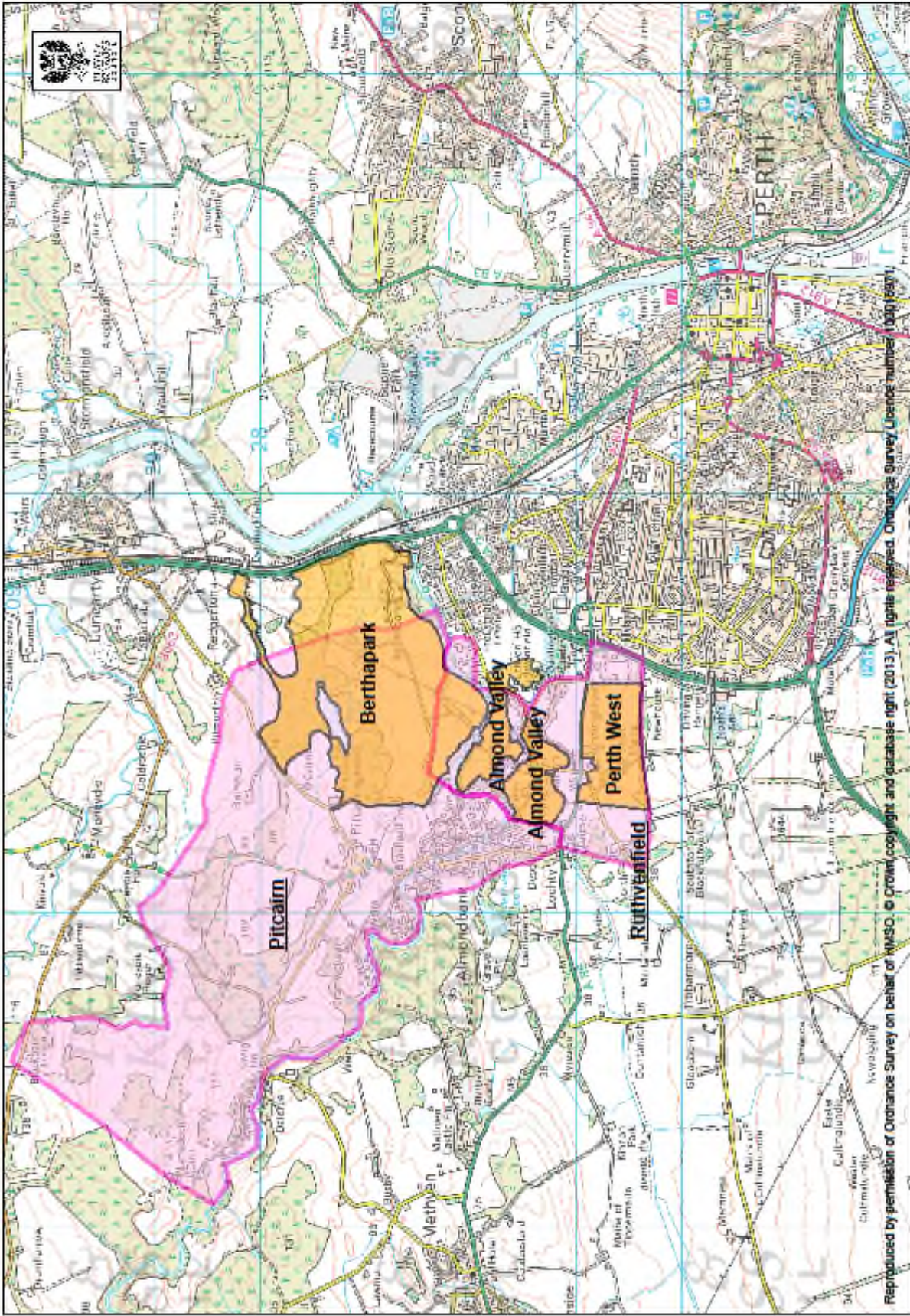
2. BACKGROUND PAPERS

No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to any material extent in preparing the above report.

3. APPENDICES

Appendix A - Detailed options appraisal
Appendix B – Pupil Numbers 2024 by catchment area
Appendix C – Financial Information
Appendix D - Risks
Appendix E - Milestone Plan
Appendix F – Statutory Consultation Proposed Timeline

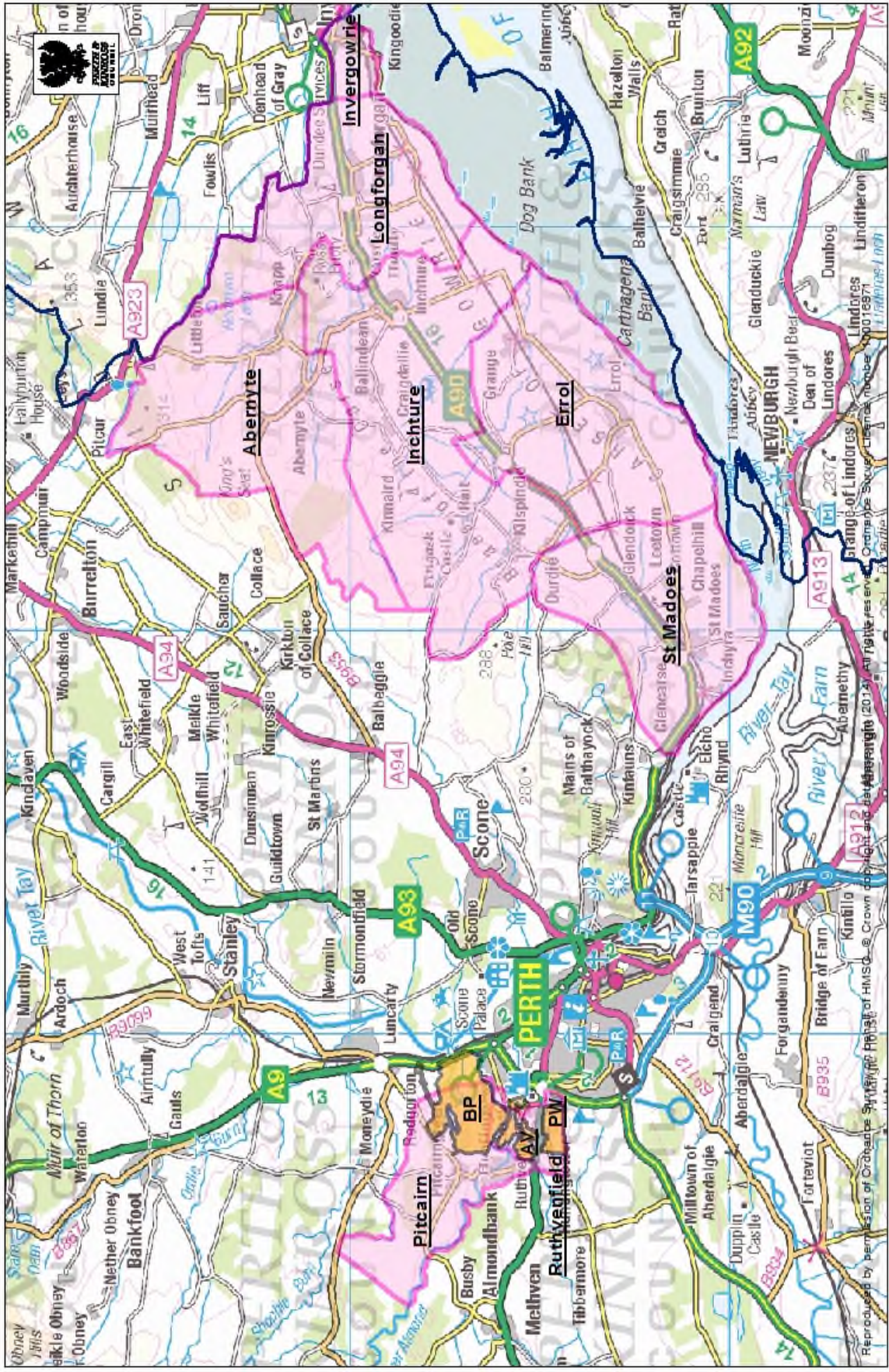
Option 1a – New secondary school at Bertha Park to include pupils from: Bertha Park, Almond Valley, Perth West and Ruthvenfield and Pitcairn primary school catchment areas			
Key Drivers	Strengths	Costs	Weaknesses
<ul style="list-style-type: none"> Alleviate potential pressure across Perth City secondary schools from potential housing developments identified in proposed Local Development Plan Contributes to PKC vision of growing Perth City Provides closer secondary school provision for neighbouring pupils in Pitcairn and Ruthvenfield primary school catchment areas Adds pupil Nos at 2018 in the event that Bertha Park, Almond Valley and Perth West does not commence in 2017 	<ul style="list-style-type: none"> Bertha Park and potentially Almond Valley area pupils will be within walking distance of new school at Bertha Park contributing to sustainability agenda Ruthvenfield Primary School catchment area pupils are likely to be within walking distance of new school at Bertha Park contributing to sustainability agenda Pitcairn Primary School catchment area pupils are currently provided with transport to Perth Grammar School – no additional costs likely Capacity to accommodate potential pupil numbers from other strategic sites across Perth City when they develop eg Scone North Utilises ⅓ funding contribution of £15.3m from SFT 	<ul style="list-style-type: none"> Revenue costs associated with staffing the school with low pupil numbers Unlikely to incur additional transportation costs Capital investment of ⅓ funding required (£7m) Potential land purchase costs 	<ul style="list-style-type: none"> Anticipated maximum scenario build out rates at Bertha Park indicate 121 pupils at 2018, 479 pupils at 2024 Anticipated minimum scenario build out rates at Bertha Park indicate 55 pupils at 2018, 179 pupils at 2024 Placing requests to other Perth City secondaries can be made whilst available capacity in schools. Therefore anticipated pupils numbers may not materialise. Revenue implications of staffing and running costs of additional secondary school exacerbated by low roll numbers Neutral impact on air traffic quality and traffic management Does not alleviate pressure on Perth High School
<p>Summary This option provides a limited number of pupils and in the anticipated minimum scenario there will be only 55 pupils in 2018. It does not alleviate pressure on Perth High School.</p>			



Option 1a

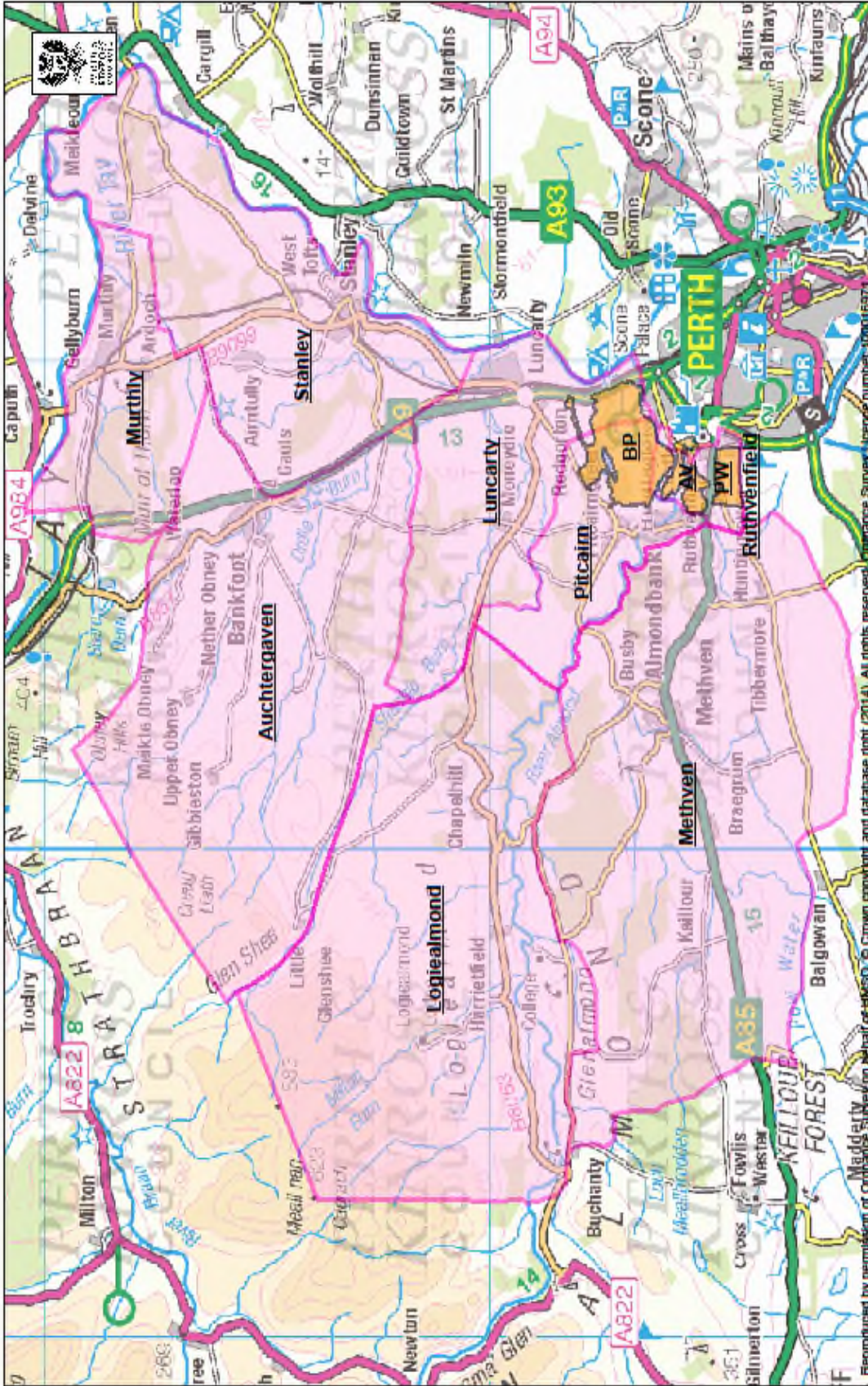
Option 1b – New secondary school at Bertha Park to include pupils from: Bertha Park, Almond Valley, Perth West and Inchtute, Errol, St Madoes, Abernyte, Invergowie, Longforan, Ruthvenfield and Pitcairn primary school catchment areas			
Key drivers	Strengths	Costs	Weaknesses
<ul style="list-style-type: none"> Alleviate potential pressure across Perth City secondary schools from potential housing developments identified in proposed Local Development Plan Contributes to PKC vision of growing Perth City Catchment realignment of 8 primary schools to ensure sufficient pupils numbers at 2018 in the event that Bertha Park, Almond Valley and Perth West do not commence in 2017 as anticipated 	<ul style="list-style-type: none"> Anticipated maximum scenario build out rates: At 2018 school roll is potentially 198; At 2024 school roll is potentially 1013 Anticipated minimum scenario at 2018 school roll is potentially 132, at 2024 school roll is potentially 713 Bertha Park and potentially Almond Valley area pupils will be within walking distance of new school at Bertha Park contributing to sustainability agenda With the exception of Bertha Park, all pupils in this option are currently transported to Perth. Minimal difference to transportation costs Capacity to accommodate potential pupil numbers from other strategic sites across Perth City when they develop, at Perth High School Utilises ¾ funding contribution from SFT Contributes to improved air quality and improved traffic management in Perth City 	<ul style="list-style-type: none"> Unlikely to incur significant additional transportation costs Revenue costs associated with staffing the school with low initial pupil numbers Capital investment of ½ funding required Potential to transfer proportion of existing staffing budgets to new school Potential land purchase costs 	<ul style="list-style-type: none"> The primary schools in this option feed to Perth High School This option would reduce Perth High School's roll over a period of 6 years by approximately 516 pupils Build out rates may not materialise as anticipated Anticipated pupils numbers may not materialise due to placing requests Statutory consultations to realign catchments will include Perth High School and Perth Grammar School Revenue implications of staffing and running costs of additional secondary school exacerbated by initial low roll numbers

Summary: This option frees up capacity at Perth High School for other developments, when house building commences.



Option 1b

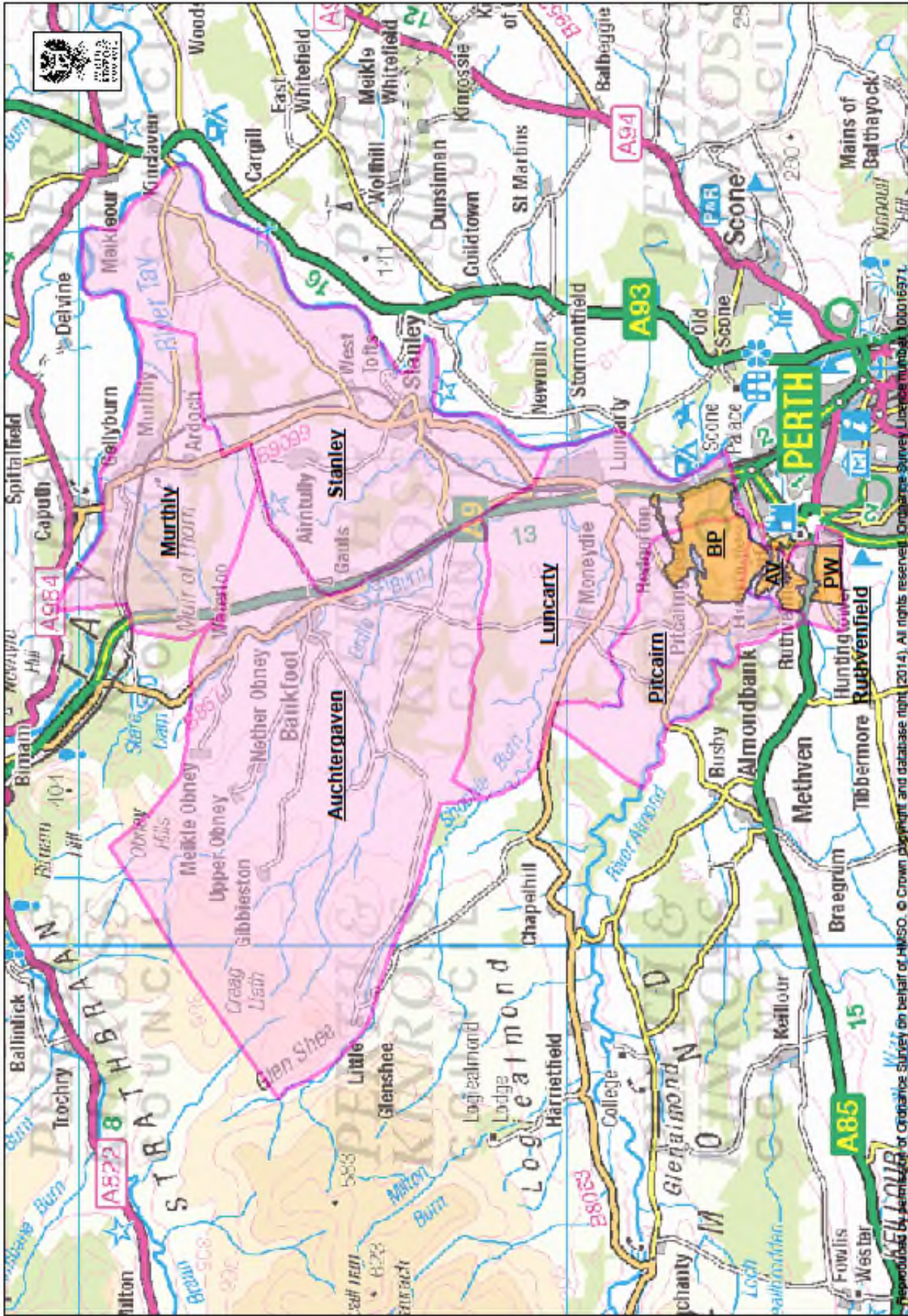
Option 1c – New secondary school at Bertha Park to include pupils from: Bertha Park, Almond Valley, Perth West, development sites at Luncarty and Stanley, and Luncarty, Stanley, Auchtergaven, Murthly, Ruthvenfield, Pitcairn, Methven and Logiealmond primary school catchment areas			
Key Drivers	Strengths	Costs	Weaknesses
<ul style="list-style-type: none"> Alleviate potential pressure across Perth City secondary schools from potential housing developments identified in proposed Local Development Plan Contributes to PKC vision of growing Perth City Catchment realignment of 8 primary schools to ensure sufficient pupil numbers at 2018 in the event that Bertha Park, Almond Valley, Perth West do not commence in 2017 as anticipated Utilises ⅓ funding contribution from SFT 	<ul style="list-style-type: none"> Anticipated maximum scenario build out rates: at 2018 school roll is potentially 235; at 2024 school roll is potentially 10161 Anticipated minimum scenario build out rates: At 2018 school roll is potentially 169; At 2024 school roll is potentially 761 Bertha Park and potentially Almond Valley area pupils will be within walking distance of new school at Bertha Park contributing to sustainability agenda All pupils currently travel into Perth Capacity to accommodate potential pupil numbers from other strategic sites across Perth City when they develop, at Perth Grammar School Contributes to improved air quality and traffic management in Perth City 	<ul style="list-style-type: none"> Revenue costs associated with staffing the school with initial low pupil numbers Unlikely to incur additional transport costs Capital investment of ⅓ funding required Potential to transfer proportion of existing staffing budgets to new school Potential land purchase costs 	<ul style="list-style-type: none"> The primary schools in this option feed to Perth Grammar School This option would reduce Perth Grammar School's roll over a period of 6 years by approximately 642 pupils Anticipated pupil numbers may not materialise due to placing requests Statutory consultations required to realign catchments Revenue implications of staffing and running costs of additional secondary school exacerbated by initial low roll numbers Anticipated maximum scenario school full in 2026
<p>Summary: This option involves bringing neighbouring catchments into the new school. The education of pupils within Perth Grammar school would be impacted through removing a significant number of pupils. The school will be full in 2025/26 in the anticipated maximum scenario.</p>			



Option 1c

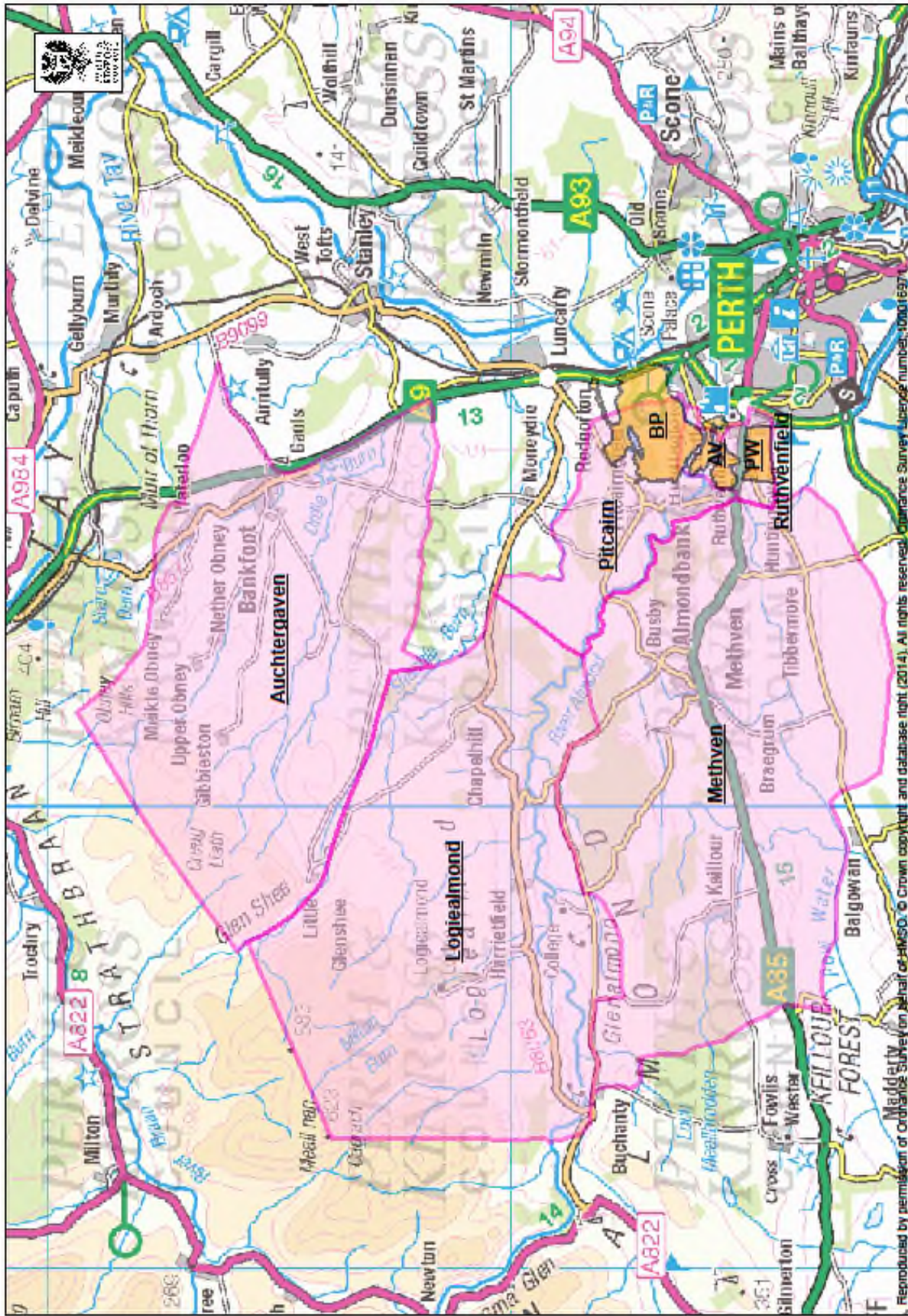
Option 1d – New secondary school at Bertha Park to include pupils from: Bertha Park, Almond Valley, Perth West, and Ruthvenfield, Pitcairn, Luncarty, Stanley, Auchtergaven, Murthly primary school catchment areas

Key Drivers	Strengths	Costs	Weaknesses
<ul style="list-style-type: none"> Alleviate potential pressure across Perth City secondary schools from potential housing developments identified in proposed Local Development Plan Contributes to PKC vision of growing Perth City Catchment realignment of 6 primary schools to ensure sufficient pupil numbers at 2018 in the event that Bertha Park, Almond Valley, Perth West do not commence in 2017 as anticipated Utilises ⅓ funding contribution from SFT 	<ul style="list-style-type: none"> Anticipated maximum scenario build out rates: At 2018 school roll is potentially 216; At 2024 school roll is potentially 947 Bertha Park and potentially Almond Valley area pupils will be within walking distance of new school at Bertha Park contributing to sustainability agenda All pupils currently travel into Perth Capacity to accommodate potential pupil numbers from other strategic sites across Perth City when they develop, at Perth Grammar School Contributes to improved air quality and traffic management in Perth City 	<ul style="list-style-type: none"> Revenue costs associated with staffing the school with initial low pupil numbers Unlikely to incur additional transport costs Capital investment of ⅓ funding required Potential land purchase costs 	<ul style="list-style-type: none"> The primary schools in this option feed to Perth Grammar School This option would reduce Perth Grammar School's roll over a period of 6 years by approximately 528 pupils Anticipated minimum scenario build out rates: At 2018 school roll is potentially 150; At 2024 school roll is potentially 647 Anticipated pupil numbers may not materialise due to placing requests Statutory consultations required to realign catchments Revenue implications of staffing and running costs of additional secondary school exacerbated by initial low roll numbers Methven and Logiealmond pupils drive past school to attend PGS
<p>Summary: This option involves bringing neighbouring catchments into the new school. Methven and Logiealmond pupils drive past school to attend PGS. Anticipated minimum numbers are initially low.</p>			



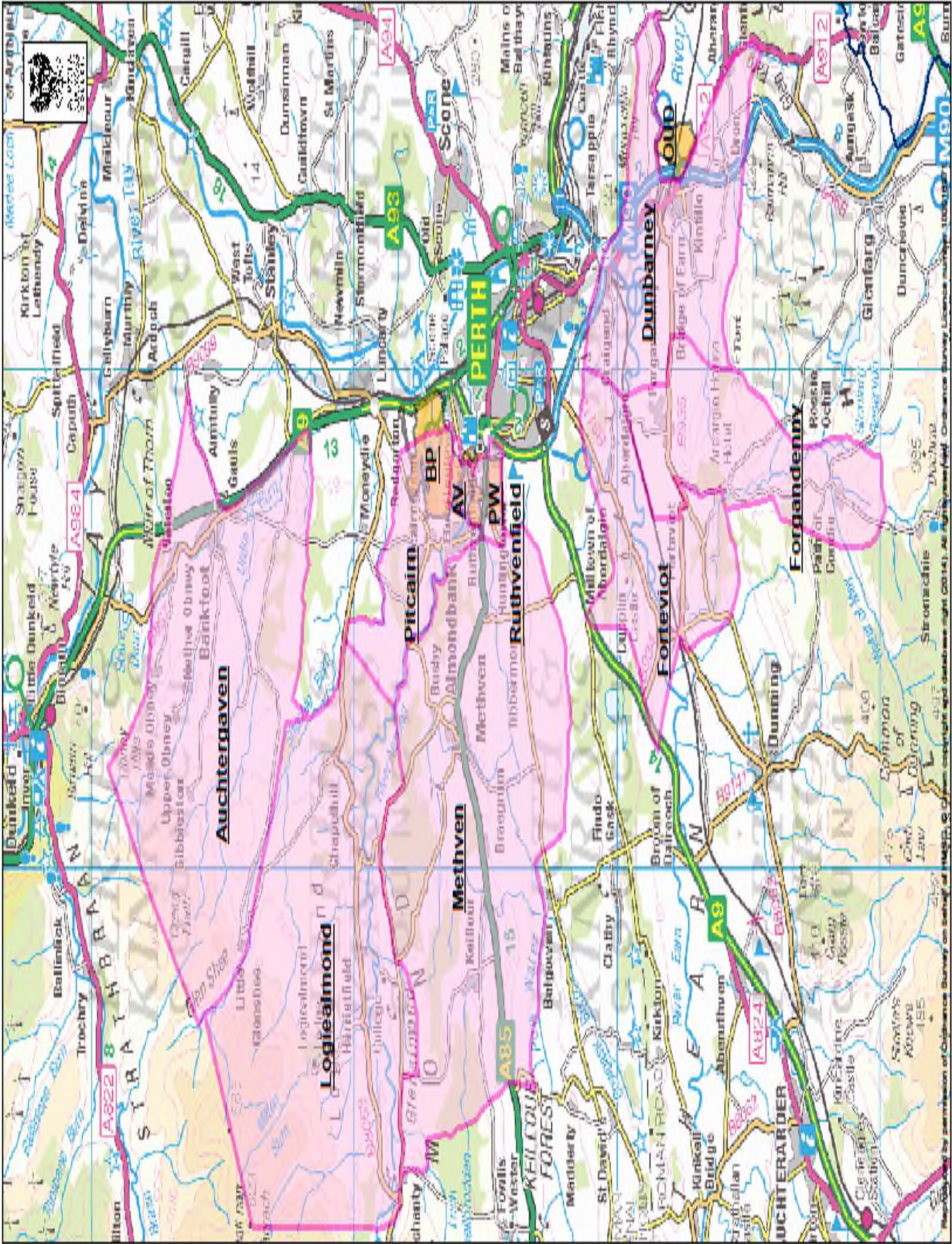
Option 1d

Option 1e – New secondary school at Bertha Park to include pupils from: Bertha Park, Almond Valley, Perth West, and Ruthvenfield, Pitcairn, Auchtergaven, Methven and Logiealmond primary school catchment areas			
Key Drivers	Strengths	Costs	Weaknesses
<ul style="list-style-type: none"> Alleviate potential pressure across Perth City secondary schools from potential housing developments identified in proposed Local Development Plan Contributes to PKC vision of growing Perth City Catchment realignment of 5 primary schools to ensure sufficient pupil numbers at 2018 in the event that Bertha Park, Almond Valley, Perth West do not commence in 2017 as anticipated Utilises ⅓ funding contribution from SFT 	<ul style="list-style-type: none"> Anticipated maximum scenario build out rates: At 2018 school roll is potentially 162; At 2024 school roll is potentially 695 Bertha Park and potentially Almond Valley area pupils will be within walking distance of new school at Bertha Park contributing to sustainability agenda All pupils currently travel into Perth Capacity to accommodate potential pupil numbers from other strategic sites across Perth City when they develop, at Perth Grammar School Contributes to improved air quality and traffic management in Perth City 	<ul style="list-style-type: none"> Revenue costs associated with staffing the school with initial low pupil numbers Unlikely to incur additional transport costs Capital investment of ⅓ funding required Potential land purchase costs 	<ul style="list-style-type: none"> Anticipated minimum scenario build out rates: At 2018 school roll is potentially 96; At 2024 school roll is potentially 395 This option would reduce Perth Grammar School roll by approximately 372 Anticipated pupil numbers may not materialise due to placing requests Statutory consultations required to realign catchments Revenue implications of staffing and running costs of additional secondary school exacerbated by initial low roll numbers Luncarty, Stanley, Murthly pupils drive past new school to attend PGS
<p>Summary: This option involves bringing neighbouring catchments into the new school. Luncarty, Stanley, Murthly pupils drive past new school to attend PGS. Anticipated minimum numbers are initially low.</p>			



Option 1e

Option 1f – New secondary school at Bertha Park to include pupils from: Bertha Park, Almond Valley, Perth West Oudenarde, and Ruthvenfield, Pitcairn, Auchtergaven, Methven, Logiealmond, Dunbarney, Forteviot, Forgandenny primary school catchment areas.			
Key Drivers	Strengths	Costs	Weaknesses
<ul style="list-style-type: none"> Alleviate potential pressure across Perth City secondary schools from potential housing developments identified in proposed Local Development Plan Contributes to PKC vision of growing Perth City Catchment realignment of 8 primary schools to ensure sufficient pupil numbers at 2018 in the event that Bertha Park, Almond Valley, Perth West do not commence in 2017 as anticipated Utilises ⅓ funding contribution from SFT 	<ul style="list-style-type: none"> Anticipated maximum scenario build out rates: At 2018 school roll is potentially 231; At 2024 school roll is potentially 1070 Bertha Park and potentially Almond Valley area pupils will be within walking distance of new school at Bertha Park contributing to sustainability agenda All pupils currently travel into Perth Capacity to accommodate potential pupil numbers from other strategic sites across Perth City when they develop, at Perth Grammar School and Perth High School Contributes to improved air quality and traffic management in Perth City 	<ul style="list-style-type: none"> Revenue costs associated with staffing the school with initial low pupil numbers Unlikely to incur additional transport costs Capital investment of ⅓ funding required Potential land purchase costs 	<ul style="list-style-type: none"> Anticipated minimum scenario build out rates: At 2018 school roll is potentially 141; At 2024 school roll is potentially 665 This option reduces, over a period of 6 years, Perth Grammar School by approximately 372 pupils and Perth High School by approximately 270 pupils Anticipated pupil numbers may not materialise due to placing requests Statutory consultations required to realign catchments Revenue implications of staffing and running costs of additional secondary school exacerbated by initial low roll numbers Luncarty, Stanley and Murthly will be excluded
<p>Summary: This option minimises the impact on Perth Grammar school and deals with the Perth High School capacity issue. Neighbouring primary catchments will be included but Luncarty, Stanley and Murthly will be excluded.</p>			



Option 1f

Option 2 – Do not proceed with new secondary school until required at Bertha Park			
Key Drivers	Strengths	Costs	Weaknesses
<ul style="list-style-type: none"> Potentially insufficient house building to warrant additional secondary school in the short term (5 yrs) 	<ul style="list-style-type: none"> Anticipated maximum scenario build out rates, 444 pupils from Bertha Park, Almond Valley and Perth West at 2024 No unitary charge No requirement to fund PKC ½ contribution in short term Revenue costs delayed 	<ul style="list-style-type: none"> No revenue costs in short term Requirement to identify capital funding for secondary school in medium term £22m Potential land purchase costs Travel costs to 2024 from Bertha Park to Perth City Schools 	<ul style="list-style-type: none"> Reduces flexibility and does not contribute to additional capacity of secondary school accommodation across Perth City Bertha Park pupils will require to be transported to Perth City secondaries initially, impact on sustainability agenda, air quality, traffic management in City centre Anticipated maximum scenario build out rates across all Perth City development sites project lack of capacity across Perth City by 2020/21
<p>Summary: This option fails to use SFT funding of £15M and could jeopardise future bids. It doesn't support wider Council objectives. This option may require to be fully funded by the Council but revenue pressures will be delayed. If build out rates are rapid, there will potentially be capacity issues in Perth City by 2019/20.</p>			

Table 1 (Appendix B) – Pupil numbers 2024 by Catchment Area

Primary School	Approximate No. of pupils from school's catchment area at 2024
Abernyte	12
Auchtergaven	114
Dunbarney	192
Errol	186
Forteviot	18
Forgandenny	60
Inchture	162
Invergowrie	0
Logiealmond	12
Longforgan	36
Luncarty	126
Methven	102
Murthly	60
Pitcairn	78
Ruthvenfield	66
St Madoes	120
Stanley	84

A summary of the estimated financial impact for the Council in the years 2018, 2024 and 2030 is illustrated in Tables 1 to 3 below. Common to all the tables is that the costs are based on 2013/14 prices and have not been inflated for future years; the exception to this is the construction cost of the school in 2023/24 which reflects a 3% per annum inflationary increase.

PKC Loan Charges represent the indicative Council cost of borrowing £7.667m at 6% over 30 years for Options 1a to 1f; it is estimated that for every £1m increase in the cost of construction, e.g. to recognise inflation, the annual Loan Charges will increase by £0.06m. The **PKC Loan Charges** for Option 3 reflect the indicative cost of borrowing £31m at 6% over 30 years.

The **Unitary Charge** includes an estimate of £0.3m per annum for hard FM and lifecycle maintenance costs, e.g. planned preventative maintenance for electrical and heating systems; and an estimate of £0.920m per annum for hubco borrowing £15.333m at 6%. Private sector development costs, financing interest and fees, and Special Purpose Vehicle (SPV) running costs for the construction and operational stages of the contract, will also be included within the Unitary Charge, however these costs are currently unknown and it is assumed that these will be offset by the Scottish Government Revenue Support.

The **School Costs** are per the Options presented in Section 2.3 and include teaching staff, administrative and technical support staff, property, supplies and services and staff transport; the hard FM and lifecycle maintenance costs (£0.3m) are included within the **School Costs** for Option 2 only.

The **Scottish Government Revenue Support** includes the corresponding support which will be provided to the Council in respect of the £15.333m HubCo borrowing.

	<u>Option 1a</u>	<u>Option 1b</u>	<u>Option 1c</u>	<u>Option 1d</u>	<u>Option 1e</u>	<u>Option 1f</u>	<u>Option 2</u>
Capital	£ m	£ m	£ m	£ m	£ m	£ m	£ m
Funding for 1/3 of cost of New Secondary School	7.667	7.667	7.667	7.667	7.667	7.667	0.000

Revenue	£ m	£ m	£ m	£ m	£ m	£ m	£ m
PKC Loan Charges	0.460	0.460	0.460	0.460	0.460	0.460	0.000
Unitary Charge	1.220	1.220	1.220	1.220	1.220	1.220	0.000
School Costs	1.818	1.683	1.769	1.766	1.731	1.706	0.000
Total Revenue Cost	3.498	3.363	3.449	3.446	3.411	3.386	0.000
Less Scottish Government Revenue Support	-0.920	-0.920	-0.920	-0.920	-0.920	-0.920	0.000
Net Total Revenue Cost	2.578	2.443	2.529	2.526	2.491	2.466	0.000

	<u>Option 1a</u>	<u>Option 1b</u>	<u>Option 1c</u>	<u>Option 1d</u>	<u>Option 1e</u>	<u>Option 1f</u>	<u>Option 2</u>
Capital	£ m	£ m	£ m	£ m	£ m	£ m	£ m
Funding for full cost of New Secondary School	0.000	0.000	0.000	0.000	0.000	0.000	31.000

Revenue	£ m	£ m	£ m	£ m	£ m	£ m	£ m
PKC Loan Charges	0.460	0.460	0.460	0.460	0.460	0.460	1.860
Unitary Charge	1.220	1.220	1.220	1.220	1.220	1.220	0.000
School Costs	1.719	2.197	2.426	2.392	2.043	2.197	2.000
Total Revenue Cost	3.399	3.877	4.106	4.072	3.723	3.877	3.860
Less Scottish Government Revenue Support	-0.920	-0.920	-0.920	-0.920	-0.920	-0.920	0.000
Net Total Revenue Cost	2.479	2.957	3.186	3.152	2.803	2.957	3.860

	<u>Option 1a</u>	<u>Option 1b</u>	<u>Option 1c</u>	<u>Option 1d</u>	<u>Option 1e</u>	<u>Option 1f</u>	<u>Option 2</u>
Revenue	£ m	£ m	£ m	£ m	£ m	£ m	£ m
PKC Loan Charges	0.460	0.460	0.460	0.460	0.460	0.460	1.860
Unitary Charge	1.220	1.220	1.220	1.220	1.220	1.220	0.000
School Costs	2.324	2.597	2.962	2.862	2.438	2.241	2.600
Total Revenue Cost	4.004	4.277	4.642	4.542	4.118	3.921	4.460
Less Scottish Government Revenue Support	-0.920	-0.920	-0.920	-0.920	-0.920	-0.920	0.000
Net Total Revenue Cost	3.084	3.357	3.722	3.622	3.198	3.001	4.460

	Risk	Impact	Probability	Mitigation
	Scottish Futures Trust (SFT)			
1	SFT will withdraw funding if completion timescales are not met	High	Low	Resource project adequately Design work begins as early as possible
	Preferred location for the secondary school site at Bertha Park			
2	School construction may be delayed by site access issues	High	Low	Early discussions with landowners and developers
3	A9/A85 roads infrastructure may not be complete by 2018 in order to provide access for school pupils	High	Medium	Phasing of roads infrastructure to complete access over the Almond first
4	Any delay to the project may not fit in with developers master plan for Bertha Park i.e. the school will be a key facility within the development, around which the housing and infrastructure will be planned	Low	Low	Early discussions with landowners and developers
	Consultation			
5	The outcome of the statutory consultation may be that the proposed re-alignment of catchments is not agreeable	High	Medium	Consider alternative/contingency proposals
6	Statutory issues prevent delivery within timescales	Medium	Medium	Plan in additional time for statutory consultation
	Projected pupil rolls			
7	That house building does not progress in-line with either anticipated maximum or minimum build out rates and therefore pupil numbers will not materialise	Low	Low	Proposed option includes populating school from existing housing
8	Pupils from re-aligned catchment areas will request to attend other secondary schools rather than new secondary school at Bertha Park	Medium	Low	Engagement with communities
9	Pupils from other catchment areas will request to attend the school at Bertha Park	Medium	Low	Manage school roll and teacher numbers
10	Pupil product may be more/less than current 0.15 ratio used for projection purposes	Low	Low	More than 0.15 needs to be monitored and considered across Perth and Kinross
	Financial			
11	The total cost of building the school may exceed the £23m estimate e.g. the cost does not allow for inflation. All additional costs will be borne by the Council	Medium	Medium	Monitor progress with other projects in Fife and Angus and feed improvements/issues into PKC design Consider as part of future capital budget
12	Possible abortive costs due to design work having to commence while statutory consultation is ongoing to meet timescales	Low	Low	Initial design to be non site specific
13	Insufficient revenue funding	Low	Low	Address through future revenue budget strategies

SECONDARY SCHOOL MILESTONE PLAN

Milestone	Planned date	Actual Date	Forecast date	RAG
New Secondary School				
Options to populate school	October 2013	TBC	May 2014	Amber
Submit NPR	August 2014	TBC	August 2014	Green
HubCo Accept NPR Stage 1 Commences	September 2014	TBC	September 2014	Green
Statutory Consultation Begins	August 2014	TBC	August 2014	Green
Statutory Consultation Completed	May 2015	TBC	May 2015	Green
Stage 1 Agreed	May 2015	TBC	May 2015	Green
Stage 2 Agreed	December 2015	TBC	December 2015	Green
Financial Close	March 2016	TBC	March 2016	Green
Site Start Date	April 2016	TBC	April 2016	Green
Construction Complete	January 2018	TBC	January 2018	Green
Final A/C	May 2018	TBC	May 2018	Green
NOTE: These dates are based on the projected SFT grant funding conditions for spend and using the HubCo programme for the Fife and Angus schools. Statutory Consultation dates are dependent on the option that is chosen within the options appraisal.				

DRAFT SECONDARY SCHOOL STATUTORY CONSULTATION PROPOSED TIMELINE

ACTION	DATE
Special Meeting of Lifelong Learning Committee approval of the commencement of the statutory consultation and the Proposal Paper for the new secondary school	25 June 2014
Letter issued to all statutory consultees advising publication of proposal paper including all Elected Members	13 August 2014
Public Notice adverts placed in local press	12 and 15 August 2014
Proposal paper published on pkc.gov.uk	15 August 2014
Statutory consultation period commences	15 August 2014
Public Meetings held	w/c 22 September 2014
Public Meetings held	w/c 29 September 2014
Statutory consultation period closes	10 October 2014
Representations and documentation sent to Education Scotland	24 October 2014
Education Scotland visit to affected schools	w/c 27 October 2014
Draft Education Scotland report received by PKC	14 November 2014
Final Education Scotland report received by PKC	21 November 2014
Proposal Reviewed and drafting of Consultation Report	21 November – 19 December 2014
Publication of Consultation Report	14 January 2015
Publication of Consultation Report closes	25 February 2015
Committee report and all documentation to be considered at Lifelong Learning Committee for final approval	May 2015 Lifelong Learning Committee

