

## PERTH AND KINROSS COUNCIL

## Lifelong Learning School Estate Sub Committee

20 November 2014

**CAPITAL PROGRAMME 2014/15 TO 2020/21  
UPDATED BUSINESS CASES****Report by Executive Director (Education and Children's Services)****PURPOSE OF REPORT**

This report provides information on the 7 year Capital Budget for 2014/15 to 2020/21 with regards to the annual update of business cases for the School Estate.

In addition, business cases for the School Estate are provided for the Education and Children's Services capital projects approved by Council on 13 February 2014 in the setting of the Capital Programme 2014/15 to 2020/21 (report 14/45 refers).

**1. BACKGROUND / MAIN ISSUES**

- 1.1. The Council set a 7 year Capital Budget for 2013/14 to 2019/20 at its meeting on 14 February 2013 (report 13/54 refers). Revisions to the budget for these 7 years have been considered by the Strategic Policy and Resources Committee throughout the year.
- 1.2. The Special Meeting of the Council on 13 February 2014 set a new seven year rolling budget including proposals for 2020/21 (report 14/45 refers).
- 1.3. In line with the Council's project management procedures, it is required that Services submit updated business cases for projects currently in the capital programme to their Service Committees. These business cases have been updated to reflect the current project position.
- 1.4. Business cases are 'organic' documents that are continually updated and amended as projects progress. Education and Children's Services have submitted business cases to School Estate Sub Committee since 2004 and regularly report back where new business cases have been developed.

**2. PROPOSALS**

- 2.1. Details of the relevant business cases for school projects are listed in Appendix 1. Copies of the business cases are available within the Councillors' lounge, online on the Councillors' CHIP Sharepoint site or by contacting the author of this report.

## **2.2. Projects/Programmes 2014/15 to 2020/21**

The following provides a summary of the current projects/programmes in the capital programme for 2014/15 to 2020/21. The projects at Glenlyon Primary, Invergowrie Primary, NAVIGATE and Rattray Community Facilities are now complete and are not detailed in the summary below.

### **2.2.1. Accessibility Programme - £906,000**

This is an annual allocation which allows the Service to continue its rolling programme of works within schools to ensure compliance with relevant legislation. Phase 5 of the works has commenced. Provision will also be made to meet individual needs of pupils/parents/wider community as required.

### **2.2.2. Kinross Primary and Tulloch Primary - £8,500,000**

In the mid 1960's several schools were constructed using a pre-fabricated type of construction, Consortium of Local Authorities Special Programme (CLASP) variants. Although speed of erection and cost were attractive to Councils in the 1960's, these buildings have deteriorated with age and have now reached a point where they are no longer viable to maintain.

There are three primary schools in Perth and Kinross built to CLASP Mark 4 standard; Oakbank Primary School, Kinross Primary School and Tulloch Primary School.

The replacement of Oakbank Primary School was funded as part of the setting of the Capital Programme for 2012/13 to 2016/17

On 29 October 2014, Lifelong Learning Committee (Report No. 14/467) approved the replacement of both Kinross Primary School and Tulloch Primary School based on the following:

- An options appraisal comparing Kinross Primary School and Tulloch Primary School recommends replacement of both schools as soon as funding is available;
- The Scottish Government, under Scotland's Schools for the Future programme, announced funding towards the two schools; and
- The Executive Sub-Committee of the Strategic Policy and Resources Committee approved the funding proposal in principle on 27 October 2014 (Report No. 14/447 refers), subject to reports on detailed costs and regular reporting to School Estate Sub Committee on projects.

It is anticipated that the schools will be completed by March 2018, however this will have to be confirmed when the projects are underway and further reports will be submitted to School Estate Sub Committee on progress.

Separate business cases have been prepared for both Kinross Primary and Tulloch Primary as detailed in Appendix 1.

### **2.2.3. Enhance/Extend Specialist Education in Perth and Kinross - £2,000,000**

The Education (Additional Support for Learning) Act, 2004 (and 2009), established the principle of Inclusion on the presumption that most pupils with 'additional needs' would be educated in their local mainstream schools. The Authority's success in developing inclusive practices at all levels can be measured by the very high number of children who successfully complete their education in mainstream schools in Perth and Kinross.

The current provision within the authority for specialist education is under pressure and a recent review of provision has concluded that the demand for specialist education provision is likely to continue to increase in future years.

The funding provided through the 2017/18 to 2019/20 capital programme will support the strategic expansion of current capacity by extending or re-aligning services that are already established, or creating new provisions in appropriate pressurised locations. To date this includes projects at Errol Primary School and Oakbank Primary School and appropriate virements are made into the project budgets as required.

It should be noted that the business case associated with this budget is currently being reviewed and will come back to a future meeting, pending the introduction of a strategy for locality working in the Inclusion Service.

### **2.2.4. Modernising Primaries Programme - £41,334,000**

The funding of £41,334,000 contained within the current capital programme 2014/15 to 2020/21 will deliver the existing identified priority projects as part of the programme as well as assist in taking forward the future priority pressures within the primary school estate.

In order to ensure good asset management practice, performance indicators on which the prioritisation of the Capital Investment Programme for primary schools can be based, have been established. A model has been developed based on the current core facts: condition; suitability and potential occupancy based on the effect of new house building on school roll projections. Each of these criteria has then been weighted to give an overall prioritised score for each school with an indication of where capital resources require to be targeted.

It is the intention that funding will continue to be prioritised from the current and future capital Modernising Primaries Programme budget for identified priority projects, subject to approval by Strategic Policy and Resources Committee. This will be undertaken as projects are developed and indicative costs are confirmed.

#### **2.2.5. Modernising Secondaries Programme - £14,130,000**

The funding of £14,130,000 contained within the current capital programme 2014/15 to 2020/21 will deliver the existing priority projects as part of the programme.

Whilst much progress has been made upgrading the secondary school estate it will require further significant investment in future years. The current priorities for Modernising Secondaries are practical teaching areas and sports facilities.

It is recognised that priorities will have changed in the schools since the inception of the current programme, therefore further meetings have been held with Headteachers to discuss and confirm their priority areas for development. The Community School of Auchterarder is now included in these discussions. This exercise provides valuable information to inform the future priorities to ensure investments are being targeted appropriately.

Resources provided through the East Central Hub, will also support development of the programme through surveys, feasibilities and design work.

#### **2.2.6. New Secondary School - £8,667,000**

A review of the School Estate has taken place to determine the likely impact of anticipated population growth in the medium to long term. One of the agreed priorities for the Council is a new secondary school to accommodate 1100 pupils on the northern perimeter of Perth.

A bid to the Scottish Futures Trust (SFT) was successful in achieving funding of £15.333M towards the secondary element of the school which is time limited and must be spent by 31 March 2018. The Council meeting on 19 December 2012 (report 12/586 refers) approved £7.667m of funding to complete the funding requirement of £23m. An additional £1m has been vired in to cover anticipated inflation, giving a total budget of £24m. (Report No. 14/193 refers).

#### **2.2.7. Oudenarde - £12,529,000 (includes £12,500,000 in later years)**

Funding of £11.5m was approved as part of the composite capital programme on 19 December 2012 towards the cost of a new primary school at Oudenarde. This is in addition to the £1.02m already in the capital programme. It should be noted that no expenditure will be incurred by the Council until there is a demand for a school within the area, as approved at Lifelong Learning Committee on 16 January 2013 (report 13/17 refers). The report also approved the proposal to build a single stream primary school with the capability of being extended to double stream in the future.

The intention is to recoup the funding through Section 75 Developer contributions. These potential contributions will be received as development of the new village progresses.

Discussions are currently taking place with the site owner regarding concluding the Section 75 agreement.

### 3. CONCLUSION AND RECOMMENDATION

3.1 It is recommended that the Committee:

- (i) endorses the updated business cases for the projects and programmes contained in the current capital programme 2014/15 to 2020/21.

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#### Approved

Name	Designation	Date
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## 1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

<b>Strategic Implications</b>	<b>Yes / None</b>
Community Plan / Single Outcome Agreement	Yes
Corporate Plan	Yes
<b>Resource Implications</b>	
Financial	Yes
Workforce	No
Asset Management (land, property, IST)	Yes
<b>Assessments</b>	
Equality Impact Assessment	Yes
Strategic Environmental Assessment	Yes
Sustainability (community, economic, environmental)	Yes
Legal and Governance	Yes
Risk	Yes
<b>Consultation</b>	
Internal	Yes
External	No
<b>Communication</b>	
Communications Plan	No

### 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 of these objectives.

#### Corporate Plan

1.2 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 of these Objectives.

- 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 The Council set a 7 year Capital Budget for 2013/14 to 2019/20 at its meeting on 14 February 2013 (report 13/54 refers). Revisions to the budget for these 7 years have been considered by the Strategic Policy and Resources Committee throughout the year. The Special Meeting of the Council on 13 February 2014 set a new seven year rolling budget including proposals for 2020/21 (report 14/45 refers). Additional capital funding has been received from the Scottish Government in 2014 for the implementation of capital works associated with the Children's and Young People (Scotland) Act. These monies total £2,747,845.
- 2.1.1 Any additional revenue implication identified through either the existing capital programme, or future capital programmes, will required to be submitted as part of an expenditure pressure with a corresponding saving through the revenue budget process.
- 2.1.2 There are no direct financial implications arising from this report other than those reported within the body of the main report and related business cases.

### 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 and related business cases.

## **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.

The information contained within this report has been considered under the Corporate Equalities Impact Assessment process (EqIA) with the following outcome and has been 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. 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 does not apply to the matters presented in this report.

### Legal and Governance

- 3.4 The Head of Legal Services has been consulted in the preparation of this report. It is a requirement of the service that all business cases are submitted to their Service Committee on an annual basis.

### Risk

- 3.5 Individual risk profiles are in place for individual projects contained within the business case.

## **4. Consultation**

### Internal

- 4.1 The Head of Democratic Services, Head of Finance, Head of Legal and Head of Property Services have been consulted in the preparation of this report.

### External



4.2 Consultation is carried out as part of individual project planning.

## **5. Communication**

5.1 A User Reference Group (URG) is set up for all major and large projects. The purpose of the URG is to assist with providing relevant local input to allow the design team to develop the outline concept design into an operational design. The formation of a URG is an invaluable source of information, and any project is reliant on this level of local detail.

## **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 1 – Capital Programme 2014/15 to 2020/21 List of Updated Business Cases



**CAPITAL PROGRAMME 2014/15 to 2021/21  
LIST OF UPDATED BUSINESS CASES**

<b>Business Cases</b>	<b>Current Version</b>	<b>Version Date</b>	<b>Report Numbers previously approved by Lifelong Learning Committee</b>
Accessibility Programme	18c	05/11/2014	Committee Reports 13/282, 12/369, 11/313, 10/14 and 08/18.
Crieff Primary School Upgrade programme	24c	05/11/2014	Committee Reports 13/282, 12/369, 11/313, 10/141, 08/18 and 05/14.
Enhance/Extend Specialist Provision in Perth and Kinross	Currently being revised	Currently being revised	Not applicable
Invergowrie Primary School	22a FINAL	01/10/2014	Committee Reports 13/282, 12/369, 11/313, 10/141, & 05/04.
Kinross Primary School	1	20/10/2014	13/282 – Previously CLASP (variants) Programme.
Modernising Primaries Programme	24c	05/11/2014	Committee Reports 13/282, 12/369, 11/313, 10/141 & 08/18.
Modernising Secondaries Programme	26c	05/11/2014	Committee Reports 12/369, 11/313, 10,141 & 08/18.
NAVIGATE	11c FINAL	06/10/2014	Committee Report 13/282, 12/369, 11/313.
New Secondary School	4b	05/11/2014	Committee Report 13/282 (previously All through campus)
Oudenarde	2a	06/10/2014	13/282
Ratray Community Facilities	13e	05/11/2014	Committee Reports 13/282, 12/369, 11/313 & 10/141.
Tulloch Primary School	1	20/10/2014	13/282 – Previously CLASP (variants) Programme

