

PERTH AND KINROSS COUNCIL

Lifelong Learning School Estate Sub-Committee – 30 August 2012

SCHOOL ESTATE CAPITAL PROGRAMME PROGRESS UPDATE

Report by Executive Director (Education and Children's Services)

ABSTRACT

This report updates Committee on progress and proposals for delivering the capital projects approved at the Special Meeting of the Council on 9 February 2012 in the setting of the Capital Programme for 2012/13 to 2016/17. It also provides information on the capital process for 2017/18 to 2019/20.

1 RECOMMENDATIONS

It is recommended that the Committee:

- 1.1 Notes the decision of Executive Sub-Committee of the Strategic Policy and Resources Committee of 11 July 2012 to engage with the East Central Hub (para. 3.3) to facilitate delivery of the capital programme (Report 12/300 refers);
- 1.2 Approves the proposals to deliver the projects for Oakbank Primary School, Crieff Primary School and Alyth Primary School through East Central hubCo;
- 1.3 Notes progress on the existing programme in relation to primary school upgrades, secondary school upgrades and other projects;
- 1.4 Remits the Executive Director (Education and Children's Services) to submit capital plans for 2017/18 to 2019/20 to this Committee before the end of January 2013 and to revisit the existing 5 year programme as per Finance Service's requirements;
- 1.5 Notes that Audit Scotland is undertaking a performance audit entitled "Major Capital Investment in Councils" this year and that Investment In Learning (IIL) and Errol Primary School are among the projects selected; and
- 1.6 Notes that the Council has submitted two projects for consideration under Phase 3 of the Scotland's Schools for the Future (para 4.5) for Tulloch Primary School and a new all through school to the north of Perth City.

2 BACKGROUND

- 2.1 On 9 February 2012 the Special Meeting of the Council approved the Composite Capital Budget 2012/13 - 2016/17 (Report No. 12/53 refers).
- 2.2 A review of the school estate, considered by School Estate Sub-Committee in March 2012 (Report No. 12/113 refers), has indicated that investment will be required beyond the current 5 year programme for future pressures and priorities related to the Local Development Plan (LDP) and the School Estate Strategy. The School Estate Strategy, which is currently in draft, seeks to

develop a school estate, which aspires to meet social, recreational, cultural and sporting needs as well as educational objectives.

2.3 The School Estate Programme (2012/13 – 2016/17) has been set out based on current capital funding allocations totalling £62m and aims to deliver a set of infrastructure projects which address:

- Condition; suitability; capacity and needs of the wider community
- Short to medium term priorities
- Provision of a modern learning environment for all young people
- Value for money specification and procurement.

3. DELIVERING THE PROGRAMME

3.1 The Education and Children's Services Resources Team works closely with The Environment Service (TES) Technical Services to deliver the School Estate programme and other ECS building projects. Design and management of building projects is delivered internally while the construction element is procured externally.

3.2 Currently the construction projects are delivered through two contracts; one for secondary schools and the other for primary schools and other projects. There is limited scope within the existing contracts (both currently on site) to commence the priority projects in the capital programme. In order to deliver the remainder of the projects in the programme, further procurement is required. This work is underway, but has been delayed while a review of construction contract methodology is completed corporately.

3.3 On July 11 2012, the Executive Sub Committee of Strategic Policy and Resources (Report 12/300 refers) approved a recommendation that the Council should engage with hubCo in order to facilitate the delivery of the Council's capital programme. The East Central Hub is an initiative led by the Scottish Futures Trust (SFT¹), in which participating public bodies team up with a private partner to form a new joint venture company known as a hubCo that will deliver a pipeline of projects on behalf of the public bodies.

3.4 The decision to utilise East Central hubCo for the delivery of appropriate projects provides an opportunity for PKC to develop a 'mixed economy' approach to procurement and delivery by utilising the joint venture company (hubCo), and through directly contracting with a private sector partner.

3.5 Adopting a two strand delivery approach mitigates the risks associated with a large capital programme, and provides an opportunity for the Council to examine and compare the efficacy of both types of procurement.

¹ The SFT is a Government-owned company, set up in September 2008, to improve public infrastructure investment, working collaboratively with public bodies and industry to obtain better value for money.

3.6 The projects proposed for delivery through hubCo are Oakbank Primary School, Crieff Primary School and Alyth Primary School.

4. UPDATES

4.1 The School Estate programme is focused on, and updates are provided in, the following key areas:

- Primary School Upgrades
- Secondary School Upgrades
- Other Projects

4.2 Primary School Upgrade Programme

4.2.1 **Abernethy Primary School**

On 11 March 2009, the School Estate Sub Committee (Report No. 09/151 refers) approved the development of the longer term scheme for Abernethy Primary School as part of the Primary School Upgrade programme.

An agreed maximum price (AMP) was agreed with Morrison Construction on 29 February 2012. Work has commenced onsite and staff and pupils are now located in the temporary accommodation. Completion of all phases of the project, which includes the main building works, removal of the temporary decant and installation of the Multi Use Games Area (MUGA) is anticipated by August 2013.

4.2.2 **Alyth Primary School**

Alyth Primary School is a largely life- expired property requiring major investment. The school has been identified as having the highest maintenance requirement of any primary school in Perth and Kinross. It is also underutilised and inefficient in terms of layout and running costs.

The business case for the school will consider options which would deliver the best learning experience, while being sustainable, cost effective and accommodating future demand. The funding for this has been made available in 2014/15.

4.2.3 **Braco/Greenloaning**

At the School Estate Sub Committee in March 2011 (Report No. 11/113 refers) the option of moving the nursery service from Braco Primary School to a new building at Greenloaning Primary School was agreed as a potential project. This will require statutory consultation and, due to other statutory consultations taking place, it is now the intention to commence discussions with the teaching staff and parent council representatives in Autumn 2012. This will be funded through the Primary School Upgrade programme.

4.2.4 Glenlyon Primary School

At Glenlyon Primary School the school office shares the main classroom space. The restricted space for pupil learning requires to be addressed, and it is anticipated that the school roll will continue to rise in the future. It is proposed to expand the accommodation at this school by utilising space within the vacant adjacent former schoolhouse and nursery room to create flexible general purpose spaces and a new office. This is being facilitated through joining all three buildings by a new link corridor.

Funding for this work has been prioritised from the Primary School Upgrade Programme budget. A user reference group (URG) was formed in November 2011 and engaged in the design development. A drop-in session took place on 26 June 2012 with the wider community, and the proposals were well received.

Minor work took place this summer primarily to upgrade toilets and relocate the IT server out of the classroom. Subject to statutory approvals, the main construction work will take place in summer 2013.

4.2.5 Inchtute Primary School

The school roll at Inchtute Primary School is rising as a result of house building within the catchment area. Although some urgent works were undertaken over summer 2011 to accommodate the primary 1 intake, future expansion is required to accommodate the predicted numbers of pupils from known house building.

This will be funded through the Primary School Upgrade Programme. It should be noted that developer contributions of £250,000 have been received towards the cost of this extension, however they are time limited to 31 March 2016.

A feasibility study has been completed where the additional capacity requirements are addressed through provision of 2 additional classrooms, a General Purpose (GP) room, extending the school learning resource library and a hall to deliver the primary school PE curriculum. A URG is being set up to develop the design in September 2012.

4.2.6 Kinnoull Primary School, Perth

At the School Estate Sub Committee on 10 March 2011 (Report No. 11/113 refers) the further development of Kinnoull Primary School was agreed.

The project will renew the life-expired building currently used as a learning resource, provide two modular classrooms that will be linked to the main building and renew toilets in the school.

A URG contributed to the design proposals and a drop in session took place on 16 August 2012. Statutory approval is required from both the Council and

Historic Scotland due to the listed status of the building. Work on site is due to commence in February 2013; completing by December 2013.

In order to undertake the works at Kinnoull Primary School, the school will temporarily relocate to Inchview Community Campus. Preparations for the relocation have already taken place at Inchview. The drop-in session also considered operational matters related to the relocation.

The funding for this project is from the Primary School Upgrade programme budget. One-off costs for transport and associated costs for the period of the relocation will be met from ECS revenue budgets.

4.2.7 Luncarty Primary School

The school roll at Luncarty Primary School is anticipated to rise as a result of additional house building. A feasibility study has identified possible solutions but has yet to be costed. Further details will be provided as the project evolves.

4.2.8 Oakbank Primary School, Perth

In the mid-1960's several schools were constructed using a pre-fabricated type of construction, called CLASP variants. These buildings have deteriorated with age and have now reached a point where they are no longer sustainable in terms of energy conservation and maintenance.

A business case for CLASP variant primary school buildings has recommended a phased programme of refurbishment, and Oakbank Primary School has been prioritised within this programme. Funding was approved by Council on 9 February 2012 (Report no. 12/53 refers), in the setting of the Capital Programme for 2012/13 to 2016/17.

An initial options appraisal is being supplemented by an in-depth structural survey in order to ascertain whether replacement or refurbishment will achieve best value. Consideration is also being given to meeting 21st century learning requirements and delivering Curriculum for Excellence.

4.3 Secondary School Upgrade Programme

On 25 November 2009, the School Estate Sub-Committee confirmed phase two works of the Secondary School Upgrade Programme (Report 09/555A refers).

In order to deliver Curriculum for Excellence, it has been recognised that practical teaching areas, such as Craft Design and Technology (CDT), Science, Home Economics and Physical Education benefit from modern facilities and equipment. These upgrades have therefore been identified as a priority area for development across the secondary estate.

The provision of suitable and appropriate sports facilities, as part of Curriculum for Excellence, will enhance and encourage a programme of sport and recreation for school children. Improved facilities will increase participation, performance and provide a better experience for young people. The lack of sufficient space to meet this demand continues to be a key barrier.

4.3.1 Blairgowrie High School

Work to form the Hub at Blairgowrie High School, as part of the second phase of the secondary upgrade programme, is complete. This provides a substantial new Additional Support Needs (ASN) facility, incorporating several spaces for teaching, therapy and life skills. The upgrade links existing school buildings, providing a hub for the school, incorporating teaching areas along with ancillary accommodation.

Consequential works as part of Devolved School Management were completed over summer 2012.

4.3.2 Perth Academy

Perth Academy sports facilities have been identified as a priority area for development, and funding has been allocated as part of the budget settlement of 9 February 2012.

As part of curriculum choice there is a high demand for these facilities and the accommodation currently available at Perth Academy is not sufficient to meet these needs. Consequently, it is the intention to enhance the sports facilities to meet the current and anticipated future demand. This will support the school in meeting its requirement for two periods of Physical Education per week per pupil.

In addition to sports facilities, Perth Academy is included in the Secondary School Upgrade Programme, and a report will be submitted to a future meeting of this committee, which will detail planned improvements.

4.3.3 Perth Grammar School

The additional funding announced as part of the budget setting allows the next priority secondary school (Perth Grammar) to be selected for major infrastructure improvement as well as upgrade of its practical classrooms (6 CDT, 3 Science and 2 Home Economics) over the next two financial years.

It is proposed to link the major infrastructure upgrade work with the practical classroom upgrades in an effort to minimise the potentially disruptive effect on the delivery of education.

The infrastructure works include electrical and data rewiring and upgrading, alarm and emergency systems renewal, heating systems renewal, energy conservation and other infrastructure and systems efficiency improvements.

4.3.4 **Perth High School**

The all-weather pitch, including a track facility, at Perth High School was completed at the end of April 2012.

The second stage bid to **Sportscotland** for the sports hall requires the scheme to have full planning consent prior to the bid being submitted. The deadline for submission of the bid is January 2013. The design is currently being progressed.

4.4 Other Projects

4.4.1 **George Inn Lane (Almondbank II)**

George Inn Lane was approved as the preferred location for Almondbank House II at the Executive Sub-Committee of Lifelong Learning Committee on 19 December 2011 (Report 11/655 refers).

This project will create a central resource base for secondary pupils which will mirror the work currently undertaken for primary pupils at Almondbank House

Work has been developed to detailed design (Stage D) and this has been submitted for statutory consultation.

The funding for this project is available between 2011/12 and 2012/13.

4.4.2 **Crieff Primary School**

A new school will be developed on the site adjacent to Strathearn Community Campus which was purchased on 16 December 2011.

It is proposed that existing Crieff Primary school pupils are accommodated within the new school and therefore allow the current primary school at Commissioner Street to be declared surplus to ECS requirements. Proposals on statutory consultation will be submitted to a future meeting of the Lifelong Learning Committee for consideration.

Outline concept design is underway and site inspections have been undertaken. Continued design work will be taken forward through the formation of a User Reference Group at the existing Crieff Primary School. It was agreed at School Estate Sub-Committee on March 8 2012 (Report 12/114) refers) that the URG would run in parallel with the statutory consultation in order to progress the project.

4.4.3 **Crieff Road Pre-School Centre**

Extensive storm damage occurred on 21 July 2010 at Crieff Road Pre-School Centre, and the service is currently operating from Balhousie Primary School on a temporary basis until the building is reinstated.

As the reinstatement of the building is part of an insurance claim, the Council insurers have insisted that replacement of the facility must be on a like-for-like basis, although it is accepted that compliance with current legislative standards will apply. Additional costs, referred to in Report no. 12/114 approved at School Estate Sub-Committee in March 2012, will be met from within Council budgets.

Work has been completed on site and children returned to the nursery at the end of the summer holidays 2012.

4.4.4 Invergowrie Primary School

The URG has been concluded and a drop in session took place for the wider community to view proposals to build a new school on the playing field.

Planning permission was granted at the Development Management Committee on 4th July 2012 (Report 12/283 refers), to build a new school on the playing field adjacent to the school. Discussions are currently taking place with Historic Scotland in relation to the listed status of one of the boundary walls.

Options to consider the use of the existing school, which is a listed building, as a community facility are being examined and a further update will be provided to a future meeting of the Sub-Committee in this regard.

The Council is engaging with SFT in order to facilitate access to funding of £2.4m for this project. The remainder of the funding is being met from the Primary School Upgrade programme.

4.4.5 Rattray Community Facilities

Rattray Primary School is being extended to provide flexible spaces for the delivery of services for children and families, and for community use. The neighbouring property has been demolished and the site has been prepared for construction. The project is currently awaiting statutory approval.

4.5 Scotland's Schools for the Future Phase 3

The Executive Sub-Committee of Strategic Policy and Resources (SP&R) of 11 July 2012 (report 12/299 refers) sets out priorities for medium term investment in the school estate suitable for submission to the Scottish Government to access additional funding.

The report proposes that the Council submits two projects for consideration under Phase 3 of the Programme. The two priorities identified are:

- An all through school to the North of Perth City primarily addressing demographic pressures
- Tulloch Primary School – a CLASP variant school

4.6 Audit Scotland: Major Capital Investment

Audit Scotland is undertaking a performance audit entitled “Major Capital Investment in Councils” this year. The overall aim of this performance audit is to assess how well capital investment is directed, managed and delivered within Councils. It will review how much is spent on capital investment in Councils, what it delivers and how it is funded. It will also examine how well Councils manage their investment spending as a programme, and assess the performance of recently completed capital projects and projects currently in progress.

Audit questionnaires about the delivery performance of two recently completed major capital projects in Perth and Kinross have been received for completion and return by 18 July 2012. The two projects selected were the Investment in Learning programme and Errol Primary School Upgrade.

The report is due for release in March 2013.

5 FUTURE PROGRAMME

- 5.1 Corporate Finance have advised of the timescales and indicative allocations for the capital budget. Services have been asked to submit bids for 2017/18, 2018/19 and 2019/20.
- 5.2 SFT Funding will be limited to one half of the notional cost of construction of a primary or special school, and two thirds of the notional cost of construction of a secondary school. Therefore, In addition to the proposed indicative allocation, ECS will submit a bid through the capital process in 2017/18 to part-fund Tulloch Primary School and the new all through school.
- 5.3 Services are expected to submit their proposed capital plans, Outline Business Cases for 2017/18 to 2019/20 and Updated Business Cases for 2013/14 to their own Service Committees by 31 January 2013 for approval.
- 5.4 Final decisions on capital allocations will be taken in February 2013 when the Council sets its Revenue and Capital budgets.
- 5.5 In addition to the submission of business cases, Services have been asked to review and re-profile the current five year capital programme.

6 CONSULTATION

- 6.1 The Head of Democratic Services, Head of Legal Services, Head of Finance and Head of Technical Services have been consulted in the preparation of this report. Head teachers and Services have been consulted through the School Estate Management Plan (SEMP) group.
- 6.2 Participation and involvement of the community are critical to the ongoing and future success of school estate investment and a greater emphasis is placed

on ensuring full and true consultation, over and above that which might be required in terms of planning requirements.

- 6.3 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 information 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.
- 6.4 Members of the URG for a school project would typically comprise the Head Teacher, Teaching Staff representatives, Non-Teaching staff representatives, Elected Members, Parent Council representatives, Community Capacity Building worker representatives, Community Council representatives and Church representatives. Wider consultation with the Pupil Council and parents are undertaken as part of a managed communications plan for each project.

7 RESOURCE IMPLICATIONS

- 7.1 The Special Meeting of the Council on 9 February 2012 approved the Composite Capital Budget 2012/13 – 2016/17 (Report No. 12/53 refers).
- 7.2 The re-instatement cost of Crieff Road Pre-School Centre is being met as part of an Insurance claim. Additional works will be met from within existing Council budgets.
- 7.3 Any additional revenue implications identified through either the existing capital programme, or future capital programmes, will require to be submitted as part of an expenditure pressure with a corresponding saving through the revenue budget process.

8 COUNCIL CORPORATE PLAN OBJECTIVES 2009-2012

- 8.1 The Council's Corporate Plan 2009-2012 lays out five Objectives which provide clear strategic direction, inform decisions at a corporate and service level and shape resources allocation. They are as follows:-

- (i) A Safe, Secure and Welcoming Environment
- (ii) Healthy, Caring Communities
- (iii) A Prosperous, Sustainable and Inclusive Economy
- (iv) Educated, Responsible and Informed Citizens
- (v) Confident, Active and Inclusive Communities

This report relates to all of the Council's five objectives.

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

- Maximising Resources

9 EQUALITIES IMPACT ASSESSMENT (EqIA)

- 9.1 An equality impact assessment needs to be carried out for functions, policies, procedures or strategies in relation to race, gender and disability and other relevant protected characteristics. This supports the Council's legal requirement to comply with the duty to assess and consult on relevant new and existing policies.
- 9.2 The function, policy, procedure or strategy presented in this report was considered under the Corporate Equalities Impact Assessment process (Eq1A) with the following outcome:
- i) Assessed as **not relevant** for the purposes of EqIA.

10 STRATEGIC ENVIRONMENTAL ASSESSMENT

- 10.1 Strategic Environmental Assessment (SEA) is a legal requirement under the Environmental Assessment (Scotland) Act 2005 that applies to all qualifying plans, programmes and strategies, including policies (PPS).

However, no action is required as the Act does not apply to the matters presented in this report. This is because the Committee are requested to note the contents of the report only and the Committee are not being requested to approve, adopt or agree to an action or to set the framework for future decisions.

11 CONCLUSION

- 11.1 This report updates School Estate Sub-Committee on progress of the Education and Children's Services capital projects approved by the meeting of the Council on 9 February 2012 in the setting of the Capital Programme for 2012/13 to 2016/17.
- 11.2 Members are asked to note the decision of Executive Sub-Committee of the Strategic Policy and Resources Committee of 11 July 2012 to engage with the East Central Hub (para. 3.3) to facilitate delivery of the capital programme (Report 12/300 refers).
- 11.3 It is recommended that School Estate Sub-Committee approves the proposals to progress the projects for Oakbank Primary School, Crieff Primary School and Alyth Primary School through East Central hubCo.
- 11.4 Information is also provided on the capital budget process for 2017/18 to 2019/20, and members are asked to remit the Executive Director (Education and Children's Services) to submit capital plans for 2017/18 to 2019/20 to this Committee before the end of January 2013 and to revisit the existing 5 year programme as per Finance Service's requirements.

- 11.5 In addition to the Council's capital programme, bids have been submitted to Scotland's Schools for the Future Phase 3 for Tulloch Primary School and an all through school to the north of Perth City.

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Note: 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.

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