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**To: Council**

**On: 24 September 2015**

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**Report by: Director of Children's Services**

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**Heading: School Estate Management Planning**

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## **1. Summary**

- 1.1. On 8 May 2014 the education policy board approved the school estate management plan (SEMP). This outlined a number of priorities for the council based on the condition and sufficiency core facts. One of the highest priorities highlighted within the agreed SEMP was to address the poor condition and sufficiency of St Fergus' Primary School in Paisley.
- 1.2. Following a preliminary feasibility study it was agreed that the council would achieve best value by building a new school for St Fergus' on land owned by the council which is immediately adjacent to the current site.
- 1.3. At its meeting in February 2013 the council approved a capital investment of £30m for the further development of the school estate. In February 2014 a further allocation of a further £2.5m of investment was made. In addition to this funding approximately £2m has also been made available by the Scottish Government in order to enhance and extend accommodation for early years.
- 1.4. In line with the priorities established by the SEMP and the legislative requirements detailed in the Schools (Consultation) (Scotland) Act 2010 approval was granted by the education policy board on 21 August 2014 to consult with all stakeholders on the relocation of St Fergus' Primary School to a new building on an adjacent council owned site.
- 1.5. The consultation formally opened on 6 October 2014 and closed on 25 November 2014. The response to the consultation was brought back to the education policy board on 5 March 2015. At this meeting approval was granted for the development of design proposals, including project design, fully developed project costing, financial assessment and funding approach for the construction of the new school.

- 1.6. The report on school estate priorities which was approved by the education policy board on 8 May 2014 noted that not all projects were fully funded at this time. Only projects where funding is available would be taken forward to consultation and design. The proposal to rebuild St Fergus' Primary School was fully funded within the resources available as it was set as the highest priority for the council.
  - 1.7. The council was approached by the Scottish Futures Trust (SFT) in September 2014 in order to consider the possible funding of one of the council's current capital projects. The proposal discussed was to provide capital funding on a 50:50 basis for a condition 'C' building. It was agreed that the most suitable project to receive this funding was St Fergus' Primary School. This was confirmed by the Scottish Government in November 2014. Confirmation was requested by the council that the project could be delivered within agreed timescales and that there were no risks to delivery. The principle agreed was that investment made by the Scottish Futures Trust would allow funding already allocated within the council's asset strategy could be released for reinvestment in other projects.
  - 1.8. The projected cost for the new building was £5.9m. This includes the cost of demolition of the old school. Only the build costs for St Fergus' would be shared by SFT. As a result it is anticipated that we would receive funding in the order of £2-2.5m. This figure will only be confirmed following further negotiation, similar to previous school estate projects.
  - 1.9. The delay in confirmation of funding from SFT relates to the accounting treatment associated with infrastructure projects being delivered through the Non Profit Distributing Model (NPD) utilised by the Scottish Government. Until these issues are resolved SFT have indicated that they will not be in a position to provide formal confirmation of any further funding.
  - 1.10. The design phase of the new school is now well advanced with tender documents being prepared to go to the market later in September 2015. At this stage we have not received final clarification of funding from SFT. As a result it is proposed that the council proceeds to tender based on the overall capital funding available to it without reliance on additional resources from the Scottish Futures Trust. Should SFT funding not be forthcoming then a further report will be brought back outlining the implications for the overall SEMP.
  - 1.11. Negotiations will continue with SFT in order to secure additional resources for priorities identified within the School Estate Management Plan. Further confirmation will be brought to the council at a suitable date in the future following conclusion of these negotiations.
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## **2. Recommendations**

- 2.1. The council is asked to:
  - note the content of this report;
  - approve the funding approach outlined;
  - approve council officers ongoing negotiations with SFT; and

- note that a further progress report will be presented to council at a future date.
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### **3. Background**

- 3.1. Renfrewshire Council's vision for its school estate is to promote learning and achievement, and to give our children and young people the opportunity to learn in the best possible environment.
- 3.2. The SEMP sits within the Council's corporate asset management plan to ensure the most effective use of all council assets. The purpose of the SEMP is to set out a strategy to focus the resources available for new and redesigned school and pre 5 accommodation.
- 3.3. The SEMP is guided by Scottish Government's 9 principles for school estate management planning and the Council's 4 objectives for the school estate in Renfrewshire:

#### Scottish Government Principles:

1. Good consultation to support better outcomes;
2. Innovative design and change informed by experience;
3. A more integrated, holistic and longer term approach to change;
4. Schools must be in a condition to support and enhance their functions;
5. Schools must be more suitable and inclusive, better future proofed for flexibility and adaptability;
6. Schools should be greener, more sustainable and environmentally efficient;
7. A well managed estate should represent and deliver best value;
8. Schools should drive and support effective learning and teaching; and
9. Schools should best serve their communities.

#### Council Objectives:

1. To provide the best educational experience for all learners in Renfrewshire;
  2. To satisfy the condition, sufficiency and suitability core facts;
  3. To retain services within communities where possible; and
  4. To provide environmentally and economically sustainable facilities with lower carbon footprints.
- 3.4. The Council's SEMP aims to improve the fabric, efficiency and suitability of school buildings. To assist councils in making progress towards this objective a set of indicators referred to as 'core facts' are gathered on an annual basis. These core facts provide ratings with respect to a school's condition, sufficiency and suitability.
  - 3.5. Core facts ratings are as follows:
    - A Good
    - B Satisfactory
    - C Poor
    - D Bad

- 3.6. Through its school estate project team the Council continually reviews the performance of the school estate in terms of these core fact findings.
- 3.7. This process identified that the existing St Fergus' Primary School building was not performing well for the school community as it was too big and the condition of the building was deteriorating.
- 3.8. Building on this intelligence elected members approved an approach to engage school communities and interested parties in the development of the SEMP and in respect of the property performance challenges facing St Fergus' Primary School the review concluded that:
- the educational experience for children and young people would be improved if delivered in a facility specifically designed to support education in the 21<sup>st</sup> century;
  - the condition and sufficiency challenges facing this school are such that the most appropriate, best value approach would be to relocate the school to a new school building on an adjacent council owned site; and
  - a consultative approach, involving all stakeholders and service users, would deliver a new build school that would enhance the educational experience for all children and young people attending St Fergus' Primary School. The building would be well designed; recognising current practice in energy management and statutory compliance and it would be sustainable with low carbon emissions.
- 3.9. In line with legislative requirements detailed in the Schools (Consultation) (Scotland) Act 2010, amended through the enactment of the Children and Young People (Scotland) Act consultation on the proposal to relocate the existing St Fergus' Primary School to a new building on an adjacent council owned site was undertaken and approved by the education policy board in March 2015.
- 3.10. It is proposed that the new school should be operational by Spring 2017. The agreed programme is as follows:
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|--|--------------|
| • Consultation conducted                     | October 2014 |
| • Approval to proceed received               | March 2015   |
| • Start of design phase                      | March 2015   |
| • Start of construction phase                | January 2016 |
| • School operational                         | April 2017   |
| • Demolition of vacant facilities commencing | June 2017    |
- 3.11. A further phase of funding from SFT was announced in September 2014. There was not to be a bidding process as in previous phases. In this round there was to be an ongoing discussion between the council and SFT to agree an appropriate project.
- 3.12. The prerequisite for inclusion was for condition 'C' buildings having an impact on the largest number of children. In addition there needed to be clarity that there are unlikely to be any planning or consultation issues resulting in delay.

- 3.13. As the full scope of our current SEMP is unfunded, inclusion in the next phase of SFT funding would allow us to extend the scope of our current programme of works.
- 3.14. Following extensive discussions it has been agreed with the Scottish Futures Trust that the new build of St Fergus' Primary School will receive capital funding on a 50:50 basis. Although this has been agreed in principle the council has not yet received formal confirmation of this funding. As a result the next phase in the implementation requires to progress without reference to this allocation.
- 3.15. The underlying issue which the SFT is dealing with on behalf of the Scottish Government and which is being intimated by the SFT as the cause of the delay, relates to the accounting treatment associated with projects being delivered through the Non Profit Distributing Model (NPD) and Hub models used by the Scottish Government to deliver certain infrastructure programmes.
- 3.16. The SFT are working through some proposed changes to both NPD and Hub models to resolve the current accounting treatment issue. These negotiations remain ongoing and at this stage the SFT have not been able to provide an indication when they anticipate it will be resolved.
- 3.17. Although the St Fergus project does not involve either the NPD or Hub Models, were the Government not to achieve the desired accounting classification this is likely to impact on their planned capital and revenue budgets - consequently it has been indicated that formal confirmation of the St Fergus funding offer will not be provided until this issue is resolved.

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## Implications of this report

### 1. Financial Implications

There are no immediate financial implications for the Council outwith the proposed adjustment to the funding approach for the existing SEMP programme.

### 2. HR and Organisational Development Implications

None.

### 3. Community Plan/Council Plan Implications

Children and Young People

- The proposed new school will provide learning facilities that are fit for the 21<sup>st</sup> century.

Greener

- The proposed new school will be environmentally and economically sustainable.

### 4. Legal Implications

None.

### 5. Property/Assets Implications

The School Estate Management Plan provides a robust framework to

ensure the school estate is fit for purpose.

**6. Information Technology Implications**

None.

**7. Equality and Human Rights Implications**

The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report because for example it is for noting only. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.

**8. Health and Safety Implications**

None.

**9. Procurement Implications**

The procurement of the new school will be reported to a future board meeting.

**10. Risk Implications**

If SFT funding is not secured then there is a risk to the delivery of the project within the agreed timescales.

**11. Privacy Impact**

None.

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**List of Background Papers**

Background Paper 1: Report on the consultation to develop the School Estate Management Plan (SEMP) and proposals to address the property challenges in the primary and pre 5 estate, Education Policy Board, 8 May 2014

Background Paper 2: Proposal to Consult on: The Relocation of St Fergus' Primary School to a New School Building; and a Catchment Review Affecting St Fergus' and St Mary's Primary Schools, Education Policy Board, 21 August 2014

The foregoing background papers will be retained within children's services for inspection by the public for the prescribed period of four years from the date of the meeting. The contact officer within the service is Gordon McKinlay, 0141 618 7194, [gordon.mckinlay@renfrewshire.gcsx.gov.uk](mailto:gordon.mckinlay@renfrewshire.gcsx.gov.uk).

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**Children's Services**

GMcK/LG

3 September 2015

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