

Education, Children and Families Committee

10am, Tuesday, 9 December 2014

Rising School Rolls

Item number	7.2
Report number	
Executive/routine	Executive
Wards	All

Executive summary

The issue of rising rolls in the primary school sector across Edinburgh has been the subject of several previous reports to Committee, most recently on [10 December 2013](#); [4 March 2014](#) and [20 May 2014](#). Additional accommodation was delivered for August 2013 and August 2014 to increase the capacity of several schools to accommodate an increase in pupils and plans are being progressed to provide additional accommodation at a further 10 schools for August 2015 should that be required.

The purpose of this report is to provide an update on the primary school rising rolls programme including the latest forecast of projected future total primary school rolls based on the most recent information on births and population projections provided by the National Records of Scotland (NRS) which suggests that future birth rates will be greater than they had previously projected.

The report also provides initial information relating to the projected future position in the secondary sector in which, from 2017 onwards, rolls are projected to start rising again following a period of decline. Further detailed analysis will be undertaken in this area during 2015 to determine the scale of any future accommodation pressures which may arise and identify potential solutions to address them.

Links

Coalition pledges	P4
Council outcomes	CO1 and CO2
Single Outcome Agreement	SO3

Rising Rolls in Primary and Secondary Schools

Recommendations

- 1.1 Note the content of this report and the intention to bring a further report to Committee on 3 March 2015 to identify the primary schools which have been identified as potentially facing future accommodation pressures.
- 1.2 Note the solutions which have been developed for potential delivery by August 2015 for 10 schools to address potential accommodation pressures at these schools should they be expected to arise.
- 1.3 Approve the proposed solution for South Morningside Primary School which is to create a temporary P1 to P2 annexe at Deanbank Resource Centre as set out in this report.
- 1.4 Note that detailed analysis of the potential impact of rising rolls on the secondary sector will be undertaken with the results being reported to Committee towards the end of 2015.
- 1.5 Refer this report to the Finance and Resources Committee for information.

Background

Primary Schools

- 2.1 The methodology used to identify primary schools across the city which may come under future accommodation pressure as a result of rising rolls was explained in the report to Committee on [10 December 2013](#).
- 2.2 Each year a detailed analysis is undertaken to identify any school where it is considered that a pressure to meet catchment demand may be experienced in future years. The outcome is reported to Committee each March which allows a 17 month period in advance of August of the following year for engagement with the relevant school communities, development of a preferred solution for every school and ultimately, if required, implementation of that solution.
- 2.3 In recent years a significant level of high quality, additional capacity has already been provided in the primary school estate all of which has been very positively received by pupils, parents and staff:
 - Large extensions to the existing school buildings were delivered at Towerbank and Corstorphine Primary Schools and internal reconfigurations progressed at several other schools to provide additional capacity.

- In August 2013 three new stand-alone extensions were opened at Granton, Trinity and Wardie Primary Schools.
 - In August 2014 four new stand-alone extensions were opened at Broughton, Craigour Park, St David's RC and Victoria Primary Schools.
- 2.4 Due to the budget pressures faced by the Council new build is considered as a 'last resort' solution to accommodation pressures and other options such as catchment review are, and have been, considered where possible. However, there have been very limited opportunities to consider catchment review as the pressure is being experienced in clusters, with neighbouring schools all experiencing pressure as a result of rising rolls.
- 2.5 On [20 May 2014](#) Committee approved the 10 primary schools where new accommodation may require to be provided in future years to respond to capacity pressures and also the proposed solutions to address these pressures. A report to Committee on [4 March 2014](#) identified that for three of these schools in the south Edinburgh area - Bruntsfield, James Gillespie's and South Morningside Primary Schools - a long term solution is also required to address school accommodation pressures. Options for a long term solution to these pressures are considered in a separate report on the agenda for this Committee.
- 2.6 This report provides an update on solutions which have been developed for potential delivery by August 2015 at 10 schools to address potential accommodation pressures at these schools should they be expected to arise. The report seeks final approval of the proposed solution for South Morningside Primary School set out in this report.
- 2.7 The report also includes the latest forecast of projected future total primary school rolls based on the most recent information on births and population projections provided by the National Records of Scotland (NRS) which suggests that future birth rates will be greater than they had previously projected.

Secondary Schools

- 2.8 While the immediate pressure of rising rolls is being experienced in the primary sector these increased rolls will start to have an impact on the secondary sector.
- 2.9 This report provides information regarding the projected future position in the secondary sector in which, from 2017 onwards, rolls are projected to start rising again following a period of decline. Further detailed analysis will be undertaken in this area during 2015 to determine the scale of any future accommodation pressures which may arise and identify potential solutions to address them.

Main report

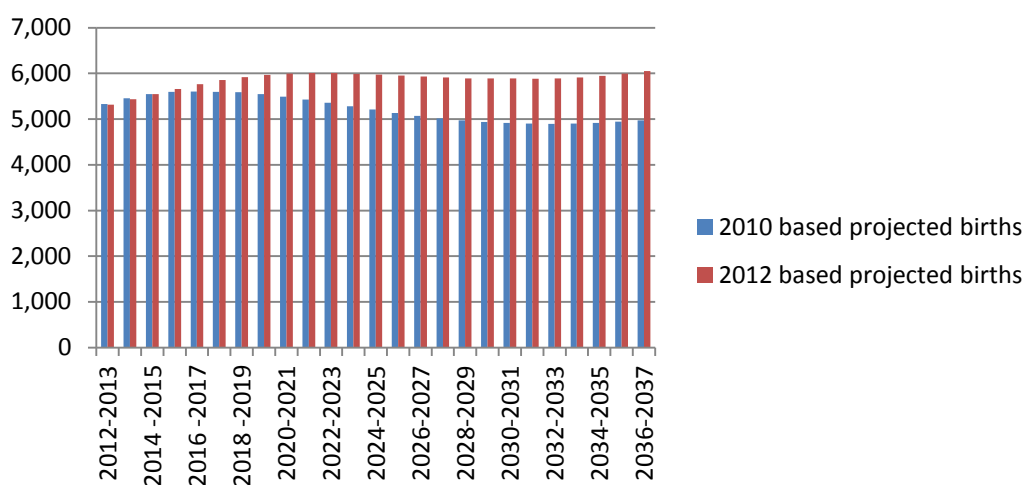
Demographic Context

- 3.1 Since 2010 the City has experienced a period of rapid increase in primary school pupil numbers. The citywide primary school roll has risen by approximately

1,000 per annum over the last three years and over the next two years the roll is projected to increase by a further 1,800 pupils. From a low in 2010 of 24,600 pupils it is predicted that, by 2020, the primary school roll will have increased to an estimated 31,700 pupils.

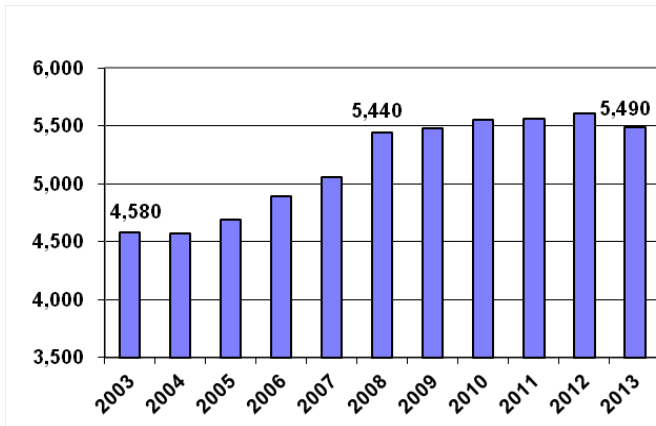
- 3.2 In 2013 it was projected that primary school rolls would peak around 2019/20 before gradually starting to fall back. This was based on the [2010 based population projection](#) which was the most current data available from the NRS at that time. However, the NRS has recently published an updated [2012 based population projection](#) which suggests a very different position emerging.
- 3.3 The NRS 2012 based projection estimates that the population of the City of Edinburgh will increase from 483,000 in 2012 to 609,000 by 2035 which represents a slight decrease on the 611,000 which had been estimated in the 2010 based projection. However the number of births in future years is now projected to be far higher than estimated in the 2010 based projection. The 2010 based projection showed births peaking at 5,586 in 2015 and gradually reducing thereafter to a low of 4,882 in 2032. The 2012 based projections now show births increasing each year to a peak of 6,000 in 2022 and being sustained at around that level thereafter. The difference is illustrated in the graph below.

Projected Births in the City of Edinburgh Council area (2012-2037)



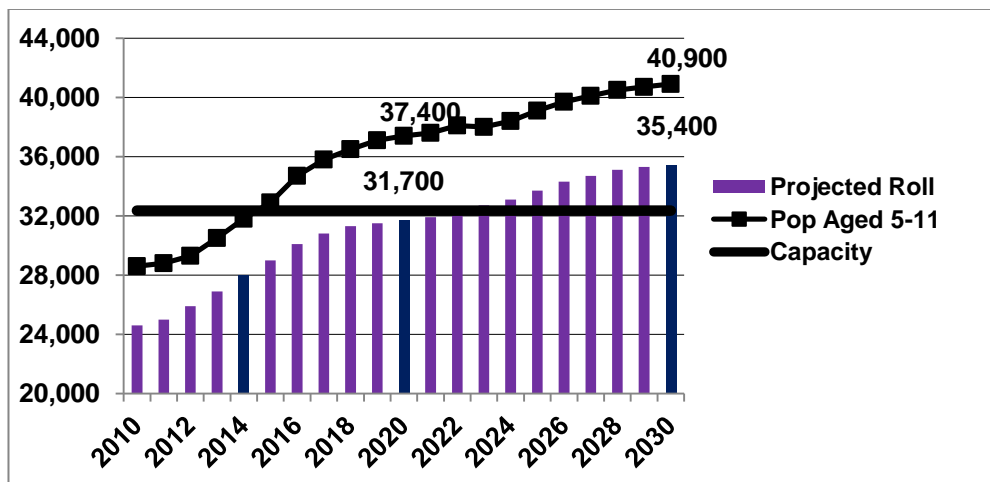
- 3.4 The actual births in 2011 and 2012 were, at over 5,500 in each year, the highest for 20 years and will feed through to the P1 intake at primary schools in 2016 and 2017. The table below shows the change in the number of births from 2003 to 2013. There was a sharp increase in births between 2004 and 2008 and thereafter births have remained consistently high at around 5,500 per annum.

Actual Births in the City of Edinburgh Council area (2003-2013)



3.5 The projected future total primary school rolls using the data from the NRS 2012 based projection is illustrated in the graph below. The graph also shows the estimated population in each year for those aged 5-11; there has historically been a strong correlation between the population aged 5-11 and primary school rolls. The gap between the population aged 5-11 years and the roll in the city is largely attributable to the independent sector in the city which currently provides education for around 4,000 primary school pupils of which 3,600 are estimated to come from the City of Edinburgh Council area.

Actual and Predicted Citywide Primary School Roll (2006-2030)



Primary School Rolls

- 3.6 Using the latest NRS 2012 based projection the citywide primary school roll is now projected to continue rising and reach an estimated 31,700 by 2020 (an increase of 900 on the projection for 2020 which was reported last year) and then increase further to an estimated 35,400 by 2030.
- 3.7 Sustained population growth of this magnitude year on year would require the record levels of population growth experienced in recent years to continue for another 20 years. Whilst this is possible it would also be unprecedented

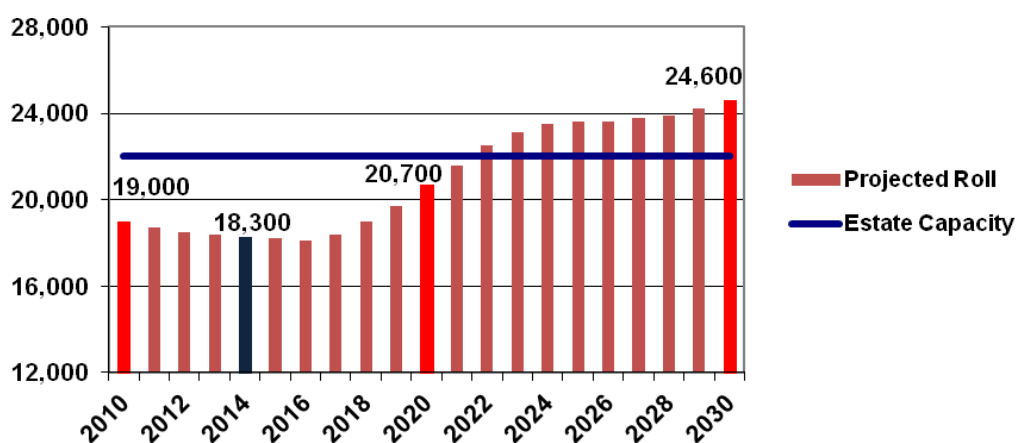
therefore it will be necessary to continue to monitor the position very closely and consider any new data which is available regarding actual births and any revised population projections which are produced.

- 3.8 The graph also shows the current capacity of the primary school estate for 2014/15 as being 32,360 and, should the overall primary school roll rise to the levels which have been suggested based on the latest available data, extra accommodation is likely to be required.
- 3.9 A significant part of this requirement is expected to be met by the necessity to provide new or expanded schools to accommodate the significant number of additional pupils which are expected to be generated from the new housing development in the city as outlined in the second proposed Local Development Plan.
- 3.10 These additional pupils will represent an element of the projected growth in the primary school age population. However, this infrastructure will not be delivered immediately and will only cater for pupils generated by new developments therefore the ongoing rising primary school rolls programme is anticipated to continue to be required to ensure the Council can continue to provide sufficient places in every school for catchment pupils.

Secondary School Rolls

- 3.11 Secondary school rolls are still experiencing the decline that affected the primary school sector between 1997 and 2005 and the city wide secondary school roll is still predicted to drop slightly over the next two years to 2016. The extent of the drop in pupil numbers has been lessened in recent years by higher stay on rates from S4 to S5 and S5 to S6.
- 3.12 From 2017 onwards as the rising school rolls in the primary sector work through to the secondary sector, the city wide secondary school roll is projected to rise steadily from approximately 18,000 to 24,600 pupils by 2030.
- 3.13 With a current secondary school estate capacity of 21,800 places, ways in which the capacity of the estate can be increased will need to be identified. This may include extending the accommodation provided in existing schools however other solutions such as increasing the efficient use of existing space through more effective timetabling. Any proposals will also need to be determined in line with the secondary sector requirements arising from the second proposed Local Development Plan. The graph below shows the predicted school roll and the current capacity of the secondary school estate.

Actual and Predicted Secondary School Rolls (2010-2030)



Accommodation to be Delivered for August 2015

- 3.14 At its meeting on 20 May 2014 Committee approved that new accommodation be provided at a number of schools which had been identified as facing potential accommodation pressures in August 2015 and beyond subject to the final decision regarding the necessity for such provision being delegated to the Director of Children and Families to be taken in January 2015 (or earlier if appropriate) upon assessment of pupil registration figures. The schools in question are listed in the table below together with the final solutions which have been developed for each school and the proposed delivery mechanism.

Primary School	Proposed Solution	Delivery Mechanism
Bruntsfield	An additional class was provided internally for August 2014. A feasibility study has been concluded which shows that additional classrooms can be provided in future years if, and when, required through further internal reconfigurations of existing spaces.	CEC
Clermiston	Permanent four class stand-alone building	Hub South East Scotland Ltd
East Craigs	Permanent three class stand-alone building	Hub South East Scotland Ltd
Flora Stevenson	Permanent three class stand-alone building	Hub South East Scotland Ltd
Gilmerton	Permanent four class stand-alone building	Hub South East Scotland Ltd
James Gillespie's	Permanent four class stand-alone building	Hub South East Scotland Ltd
Pentland	Permanent three class stand-alone	Hub South East Scotland Ltd

Primary School	Proposed Solution	Delivery Mechanism
	building	
Ratho	Permanent four class stand-alone building	Hub South East Scotland Ltd
South Morningside	Temporary annexe for P1 and P2 to be created at Deanbank Resource Centre	CEC
Wardie	Permanent two class stand-alone building	Hub South East Scotland Ltd

- 3.15 Working groups at each school involving Council officers, school staff, Parent Council representatives and members of the design team have been meeting over the last seven months to establish the location and progress the detailed design of the proposed accommodation.
- 3.16 For the new accommodation which will potentially be delivered by Hub South East Scotland Ltd, information evening “drop-in” sessions were held at each school during September and October to which all parents, local Elected Members, Community Councils and immediate neighbours were invited. At these sessions the final layouts and designs of the proposed buildings were presented and members of the working group were on hand to answer any questions arising from those in attendance.
- 3.17 Planning applications for the eight proposed new permanent stand-alone buildings were submitted in early November. This timescale ensures that when a decision is made in January 2015 (based on the registration figures for August 2015 P1 intakes) regarding whether or not the accommodation will require to be delivered the construction of any new buildings can be progressed immediately thereafter to ensure they are completed and ready for occupation by August 2015.
- 3.18 For those projects in the above table which will be delivered by the Council directly regular parent updates have also been provided. At Bruntsfield Primary School the working group meetings were supplemented by attendance at full parent council meetings.
- 3.19 At South Morningside Primary School all parents were invited to a presentation by the working group which outlined the two main options considered as viable solutions to the school’s immediate rising rolls situation. The two options were:
- (i) The replacement of the two existing temporary units on the existing South Morningside Primary School site with a new unit incorporating an expanded capacity of six class spaces; or
 - (ii) Create a P1 and P2 annexe building at the former Deanbank Resource Centre which is owned and managed by the Council’s Health and Social Care Department and will become vacant from the end of March 2015,

subject to the new autism centre at Castle Craggs, currently under construction, being delivered on schedule. This option would allow the existing temporary units to be removed from the school site and would also negate the requirement for continued occupation of the Cluny Centre.

- 3.20 The parental feedback from this meeting was overwhelming support for the temporary annexe option which was also reflected in the results of a survey of parents which was subsequently conducted by the Parent Council. The school management team is also supportive of delivering this solution for August 2015.
- 3.21 Further detailed information on, and consideration of, both options is included in Appendix 1. In order to allow early technical work to be progressed to ensure the solution can be delivered in time, the option to create a temporary P1 and P2 annexe at Deanbank Resource Centre was agreed in principle by the Director of Children and Families in accordance with the authority which was delegated to her by Committee on 20 May 2014. However, Committee is now asked to approve the proposed solution due to the significant change to current operational arrangements arising as a result.
- 3.22 The accommodation issues and pressures at Bruntsfield, South Morningside and James Gillespie's Primary Schools have also been identified as requiring a long term solution and details of the options for this are the subject of a separate report on the agenda for this Committee.

Schools which may have future Accommodation Pressures

- 3.23 The next annual process to identify any further schools regarding which there may be a risk of a possible future accommodation pressure to meet catchment demand will now be progressed. The initial stage of the process involves detailed analysis of data for those schools where the higher level catchment analysis suggests accommodation pressures may be experienced in relation to the projected P1 intake for August 2016.
- 3.24 On completion of the detailed further analysis, for any school which is considered to have a risk of possible future accommodation pressure to meet catchment demand there will be an assessment of all possible options to address any such pressure; this will then be discussed with the school to identify a preferred solution.
- 3.25 There will be different options available at each school including catchment review; changing the use of existing space within the building; reconfiguration of internal space; the creation of annexes and the provision of new build extension accommodation on the existing school site.
- 3.26 The identification of schools which are considered to have a risk of possible future accommodation pressure to meet catchment demand will be progressed and the outcome reported to Committee on 3 March 2015. Working groups would then be established with each school to consider options to address the

possible future accommodation pressure with the preferred solution for each school then being reported to Committee on 19 May 2015 for consideration.

Rising Rolls in Secondary Schools

- 3.27 As rising rolls move forward into the secondary sector, it is anticipated that the secondary school estate will start to come under pressure. A detailed assessment of potential areas of future pressure on capacity will be carried out during 2015 together with an assessment of possible options to address any such pressure which may arise.
- 3.28 The work to be undertaken will include an assessment of whether additional capacity can be generated from existing accommodation (e.g. through improved timetabling) but will also highlight the areas of the city where it is considered that additional accommodation might be required.
- 3.29 The outcome will be reported to the Education Children and Families Committee towards the end of 2015. The consideration of options and any proposed solutions will take into account the impact on secondary schools arising as a result of the potential new housing development outlined in the second proposed Local Development Plan.

Measures of success

- 4.1 The delivery of accommodation solutions at any primary school identified as facing potential future accommodation pressures to ensure the capacity of the school is appropriate to meet the level of demand for places from its catchment population.
- 4.2 The delivery of any accommodation required to a design specification which fully meets all educational related requirements.
- 4.3 Delivery of the agreed projects on time, within budget and to the necessary quality.

Financial impact

Capital Expenditure

- 5.1 There is provision of £14.902m within the Children and Families Capital Investment Programme to 2017/18 for the capital funding necessary to respond to the challenges arising from rising primary school rolls.
- 5.2 In the last report to Committee on [20 May 2014](#) it was estimated that the total capital funding necessary to respond to the challenges arising from rising primary school rolls over the next five years was £19.874m which represented a funding deficit of £4.972m for which additional resources would need to be identified.

- 5.3 The last forecast of capital funding did not include any provision for an interim solution at South Morningside Primary School as at that time the assumed solution was the removal of the existing temporary units on the existing school site and their replacement with new temporary units having more class spaces. This was anticipated to be a revenue cost however the extent of the potential costs had not, at that point, been determined.
- 5.4 The capital cost arising from the proposed creation of a temporary annexe of South Morningside Primary School at Dean Park Resource Centre is estimated to be £640,900. Whilst this is a new capital cost, savings in other areas mean the latest estimated total capital funding necessary to respond to the challenges of rising primary school rolls over the next five years is £19.922m; a small increase of £0.048m from the last forecast and which now represents a funding deficit of £5.02m for which additional resources will need to be identified.
- 5.5 As was also the case with the last forecast, this excludes any costs associated with providing a long term solution to the specific challenges in the south Edinburgh area (Bruntsfield, James Gillespie's and South Morningside Primary Schools).
- 5.6 Whilst there is an overall funding deficit, the projected costs required to deliver the new accommodation which has been identified as potentially being necessary for August 2015 (including the proposed creation of a temporary annexe of South Morningside Primary School at Dean Park Resource Centre) together with the new accommodation which has previously been delivered in 2013 and August 2014 can be met from the existing budget provision of £14.902m. However, this would require funding which is currently allocated to later years of the Capital Investment Programme to be brought forward.
- 5.7 The annual process to identify any further schools regarding which there may be a risk of a possible future accommodation pressure to meet catchment demand will now be progressed. The schools identified will be reported to Committee on 3 March 2015 with the preferred solutions for each school, together with any financial implications arising as a consequence of any changes in future accommodation requirements compared with that assumed in the last forecast being reported to Committee on 19 May 2015.

Revenue Costs

- 5.8 Providing additional accommodation will, in the majority of cases, result in an increase in the size of the establishment and, in turn, an increase in the associated revenue property costs e.g. rates, utilities and cleaning. All such costs will be funded from future revenue budgets as, and when, necessary.

Loans Charges

- 5.9 There is currently provision of £14.902m within the Children and Families Capital Investment Programme to 2017/18 for the capital funding necessary to respond to the challenges arising from rising primary school rolls. If this expenditure

were to be funded fully by borrowing, the overall loan charges associated with this expenditure over a 20 year period would be a principal amount of £14.902m and interest of £9.698m, resulting in a total cost of £24.6m based on a loans fund interest rate of 5.1%. The annual loan charges would be £1.230m.

- 5.10 This report identifies that the capital funding necessary to respond to the challenges arising from rising primary school rolls may increase to £19.922m. If this expenditure were to be funded fully by borrowing, the overall loan charges associated with this expenditure over a 20 year period would be a principal amount of £19.922m and interest of £12.978m, resulting in a total cost of £32.9m based on a loans fund interest rate of 5.1%. The annual loan charges would be £1.645m.
- 5.11 As the capital expenditure outlined of £14.902m in this report forms part of the approved capital investment programme, provision for funding it will be met from the revenue loan charges budget earmarked to meet overall capital investment programme borrowing costs. If the estimated increased capital funding of £19.922m was to be required there would be a funding deficit of £5.02m and additional resources would have to be made available to fund the associated additional annual loan charges arising of £0.415m.
- 5.12 It should be noted that the Council's Capital Investment Programme is funded through a combination of General Capital Grant from the Scottish Government, developers and third party contributions, capital receipts and borrowing. The borrowing required is carried out in line with the Council's approved Treasury Management Strategy and is provided for on an overall programme basis rather than for individual capital projects. Following instruction from Members, notional loan charge estimates have been provided above, which it should be noted are based on the assumption of borrowing in full for this capital project.

Risk, policy, compliance and governance impact

- 6.1 All Children and Families capital projects are delivered in line with the Council's Risk Management Policy and Framework. Ensuring sufficient accommodation for catchment pupils to secure a place at their catchment school is the key objective of the primary school rising rolls programme and there is a significant reputational risk to the Council if this is not achieved.
- 6.2 The primary school rising rolls programme is overseen by an Investment Steering Group which operates based on the project management principles of Prince 2 following the same governance structure as all other Council major projects including the delivery of new schools. The consideration and management of risk is undertaken through this group.
- 6.3 The contractors delivering the accommodation will operate in accordance with all relevant legislative and health and safety requirements and have community engagement policies. The school community will be kept informed of any issues

that arise during the construction process which again mitigates against the risk of criticism of the Council in relation to these high profile and visible projects.

- 6.4 The engagement of hub South East Scotland Ltd for delivery of the new build accommodation reduces the risk of project delay as procurement timescales are reduced and provides a considerable degree of cost certainty by establishing affordability caps prior to the finalisation of contracts.

Equalities impact

- 7.1 There are no negative equality or human rights impacts arising from this report.
- 7.2 By offering additional capacity at local schools the Council is responding to parental choice and endeavouring to offer all catchment pupils from all equalities groups the opportunity to attend their catchment school. The Council will continue to ensure that the needs of pupils who have a disability are met by the accommodation available at the schools affected by these proposals. The provision of facilities offered to school users with learning and behavioural support needs will be unaffected.
- 7.3 Accordingly, these proposals have no significant impact on any equalities groups and provide greater opportunities for catchment pupils to attend their catchment school. For these reasons, the overall equalities relevance score is 1 (out of a possible 9) and a full Equalities Impact Assessment is not required.

Sustainability impact

- 8.1 The rising rolls programme results in the addition of new classrooms across the city which are delivered to ensure the minimum environmental impact through use of non mechanical ventilation and renewable energy systems. Creation of additional accommodation at local schools so that children can access their catchment school also ensures that travel to school patterns are minimised.

Consultation and engagement

- 9.1 For all those projects where a solution is to be delivered for August 2015 the working group at each school will continue to allow the design team and staff from Children and Families to work with the school and parent representatives to progress the delivery of the proposed solution.

Background reading / external references

There have been five previous reports to the Education, Children and Families Committee including sections regarding the general issue of rising school rolls on [9 October 2012](#); [8 October 2013](#); [10 December 2013](#); [4 March 2014](#) and [20 May 2014](#).

Gillian Tee

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Links

Coalition pledges	P4
Council outcomes	CO1 and CO2
Single Outcome Agreement	SO3
Appendices	1 South Morningside Primary School – Options to Address Accommodation Issues and Rising Rolls

South Morningside Primary School – Options to Address Accommodation Issues and Rising Rolls

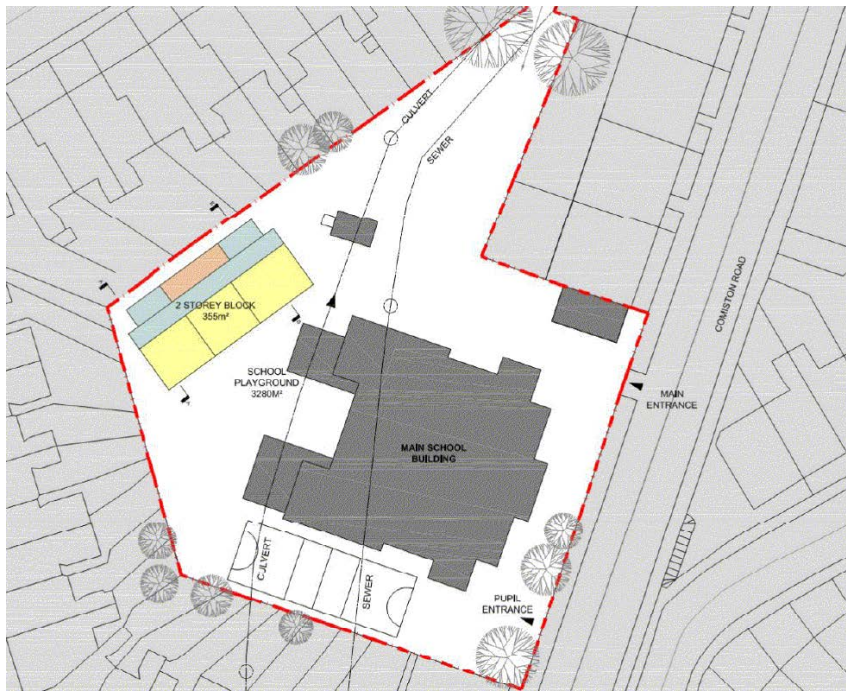
Background

- 1.1 At its meeting on 20 May 2014 the Education, Children and Families Committee approved the proposed solution to replace the existing temporary units with (a minimum of five) modern temporary classrooms for August 2015 with further feasibility work to be carried out to determine the best solution for provision of new accommodation including the number of classroom spaces to be provided and consideration of links to the long term accommodation solution for the wider south Edinburgh area.
- 1.2 Committee also delegated authority to the Director of Children and Families to agree, including where alternative options exist for the delivery of new accommodation (e.g. between the provision of permanent or temporary stand-alone units), what the most appropriate final solution for each school would be taking into consideration factors such as cost, deliverability and the impact on the school and approve the final costs of the most appropriate final solution (whilst always ensuring that value for money is achieved) and conclude and authorise the necessary contracts to deliver the identified solutions.
- 1.3 A working group consisting of Council Officers, school management and Parent Council representatives has met several times to consider the possibilities. Out of all the options which have been discussed by the group two were considered feasible:
 - (i) The replacement of the two existing temporary units on the South Morningside site which are in a poor condition with a new temporary unit incorporating six classroom spaces; or
 - (ii) The establishment of a P1 and P2 annexe building at the Deanbank Resource Centre.

Option 1: New 6 Class Temporary Unit

Summary Overview

- 2.1 Under this option the two existing temporary units on the South Morningside Primary School site would be replaced by a single, new six classroom unit. There would be no change to the provision currently made at the Cluny Centre.
- 2.2 Planning limitations mean that the location of the new unit on the main South Morningside Primary School site would be limited to that shown in the following diagram



- 2.3 The exact configuration of the new classroom unit would require to be developed in detail with school management according to their requirements. However, it would be designed to provide five classrooms, a general purpose space, toilets, storage and a small tutorial space.
- 2.4 The play area on the South Morningside Primary School main site would increase by an estimated 85m² under this proposal. While the overall footprint of the new unit would be similar to the combined footprint of the two existing units, the necessary demolition of an existing store to the rear of the site and the canopy shelter beside the boiler house would provide this small increase in the overall play area.

Impact on the Main South Morningside Primary School Site

- 2.5 Some of the key changes to the main school site resulting from the provision of a new six class unit are listed below:
- Changes to pupil numbers on the main site are likely to be relatively small. A peak of 590 pupils on the main site is forecast compared to approximately 570 at present; accordingly there will be little change to pressure on some existing facilities (e.g. dining) arising from rising rolls although it is worth noting that extra pressure on dining will occur due to the provision of free school meals for all P1 to P3 pupils from January 2015;
 - Increased GP provision;
 - New, modern teaching facilities potentially available to the majority of pupils (either through classroom rotation or use as GP space);
 - Increase in the play area on the main site by approximately 85m²;

- Increase in the quality of the play area on the main school site by 'opening it up' through the (net) removal of one temporary unit.

Impact on the Cluny Centre

- 2.6 There would be no impact on the operation of the Cluny Centre which would still be required to accommodate two classes and provide additional hall provision to allow the school to provide 2 hours of PE.
- 2.7 However, the lease for the Cluny Centre terminates in 2017 and it has been suggested that the church may seek to sell the centre at this time. If this were to be the case and no long term solution had been established by that time, solutions would be required to accommodate the two displaced classes and to provide additional gym facilities.

Temporary Units

- 2.8 Under this proposal both the existing temporary units would be demolished addressing all existing learning environment and condition issues. However, despite its benefits, the unit which would replace the two existing temporary units would itself be a temporary structure and therefore counter to the Children and Families Asset Management Plan objective of removing all temporary units.

Timescales, Construction and Decant Requirements

- 2.9 Under this proposal, the necessary design work and permissions (planning and building warrants) would need to be progressed in November 2014 to allow installation of the unit for August 2015. A contractor, appointed through an appropriate procurement route, would also require to be commissioned as soon as possible in order to have an input into the design process. The first phase of works would be demolition of the first temporary unit. This and other ground works would be necessary from the start of June 2015. Accordingly, there would be a requirement under this option to decant two large P1 classes for a month prior to the summer holidays. In addition, the compound required by the contractor during June 2015 will significantly reduce the available play area at the school at that time.
- 2.10 Options to achieve the required decant were considered with the school and the working group. Initial proposals would involve the school reorganising its classes prior to the summer break with the current P7 class moving to Boroughmuir High School for the month of June 2015. This would require further consideration, including with Boroughmuir High School. This solution may also require two in service days to be arranged at the start of June 2015 to allow staff to reorganise classrooms.

Statutory Consultation

- 2.11 Under this option, other than the standard planning process, there would be no statutory consultations required.

Financial Implications

- 2.12 The estimated costs associated with either the purchase or rental of a new six classroom temporary unit are set out below.

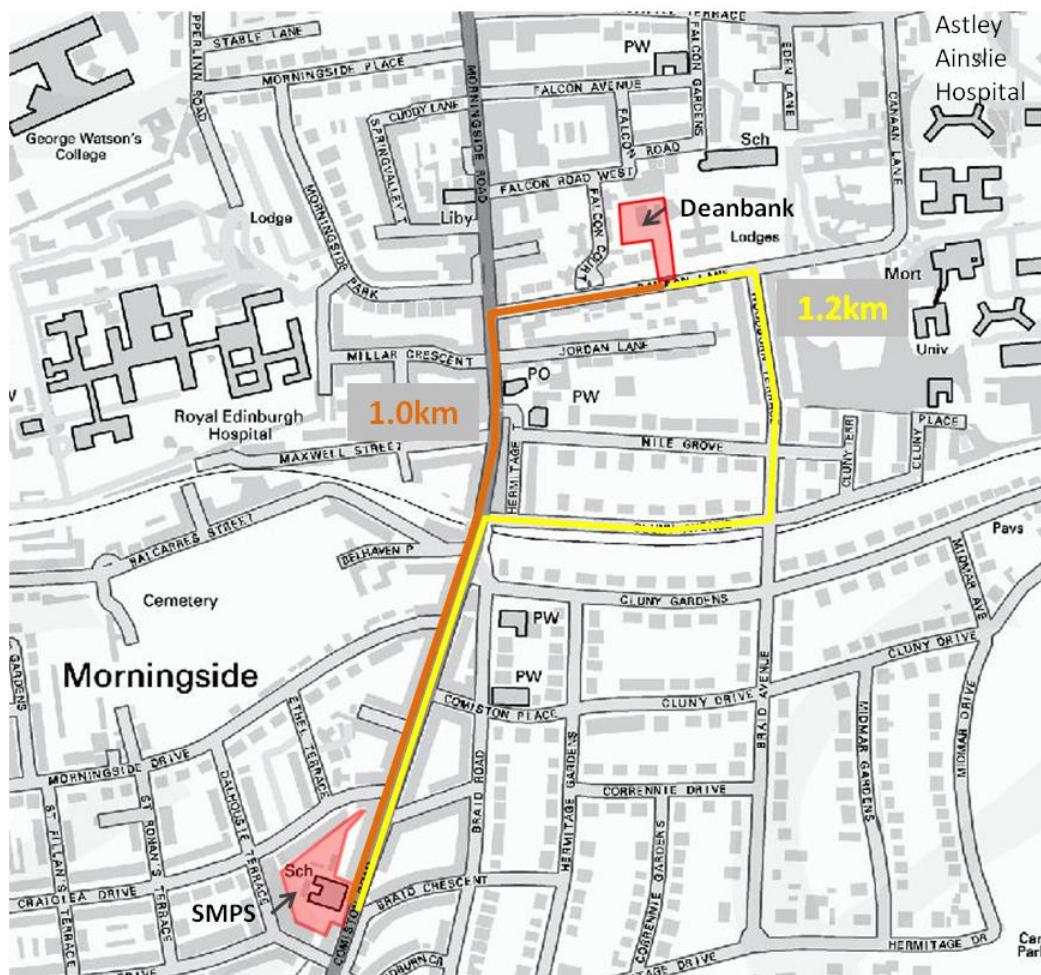
	Purchase £	Rental £
Temporary Unit Design, Delivery and Installation Costs	522,320	364,470
Excluded from above e.g. Services Installation, Site Works	268,856	268,856
Sub-total	791,176	633,326
Preliminaries (12.5%)	98,897	79,166
Contingencies (10%)	89,007	71,249
Inflation to July 2015 (5%)	48,954	39,187
Total Cost as at July 2015	1,028,034	822,928
Demolition and Alterations	32,036	32,036
CEC Fees (8.2%)	86,926	70,107
Statutory Fees	6,365	6,365
FF&E	20,000	20,000
Total Cost	£1,173,361	£951,436

- 2.13 The total cost for the rental option of £0.951m is based on an assumed 37 month period from June 2015 to July 2018; each additional years lease would be approximately £86,000 per annum.
- 2.14 Alternatively the cost of outright purchase of the new unit is estimated at £1.17m which might allow the unit to be relocated following its use at South Morningside Primary School. All costs incurred through rental or purchase of the unit would be revenue costs due to the temporary nature of the provision.
- 2.15 There would be ongoing revenue costs associated with the running of the new unit however these require to be offset against the costs currently incurred in the two old units which would be demolished. Minor energy efficiency savings might be expected from a new temporary unit replacing two older units.
- 2.16 The lease of the accommodation at the Cluny Centre would be unaffected but there would be a requirement to renew the lease from July 2017 for at least one further year. The lease is currently £47,500 per annum.
- 2.17 In addition, to address security and road safety issues with the use of the Cluny Centre, the school currently receive an additional allocation for Support Assistants of 1.32fte and it is anticipated that this arrangement would continue.

Option 2: Deanbank Annexe

Summary Overview

- 3.1 Under this option the Deanbank Resource Centre would become a temporary annexe of South Morningside Primary School accommodating all P1 and P2 pupils. The Cluny Centre would be vacated and the temporary units on the main school site would be removed.
- 3.2 The Deanbank Resource Centre is currently a day centre for adults with learning disabilities and autism which is owned and managed by Health and Social Care. The Centre will become vacant from the end of March 2015, subject to the new autism centre at Castle Craggs, currently under construction, being delivered on schedule. This temporary annexe would accommodate all of South Morningside Primary School's P1 and P2 classes from August 2015.
- 3.3 Deanbank Resource Centre is approximately a 1km walk from South Morningside Primary School (15-20 minute walk) as shown in the map below.



- 3.4 The building is rated as condition 'B' and under this proposal the Centre would undergo significant internal reconfiguration and refurbishment to provide six classrooms; two GP spaces, a tutorial room, a large activity area (comparable in its floor area to the usable area of the gym at the main school site and would

therefore allow the school to provide movement based activities such as dancing, mat based gymnastics and fitness training/lessons), a dining room and support spaces including a reception area, office space, medical room and staff room.

- 3.5 The grounds at Deanbank Resource Centre are approximately 2,940m² (excluding the building footprint). Initial estimates suggest that approximately 1,500m² could become dedicated play space. This compares with approximately 3,200m² on main South Morningside Primary School site and approximately 200m² at the Cluny Centre.

Impact on the Main South Morningside Primary School Site

- 3.6 Some of the key changes to main South Morningside Primary School site which would arise as a result of the formation of an annexe at Deanbank Resource Centre are as follows:
- Reduces the number of pupils on the main school site by approximately 23% (from approximately 570 to 440 pupils).
 - 23% reduction in pupil numbers reduces pressure on outdoor play area, GP spaces, dining facilities, gym hall, toilets, stairwells, etc.
 - Increases play area on main school site by at least 330m² (through loss of the temporary units).
 - Increases the quality of the play area on the main school site by 'opening it up' through removal of the temporary units.
 - Reduced pressure on staff facilities.

Impact on the Cluny Centre

- 3.7 The establishment of an annexe of South Morningside Primary School at Deanbank Resource Centre would negate the requirement for continued occupation of the Cluny Centre. However, advice received from Estates suggests that early termination of the lease for the centre, which runs until June 2017, would require full payment for the period covered by the lease.
- 3.8 Accordingly it would be beneficial to consider alternative uses for the classroom accommodation in the Cluny Centre. This may involve some negotiation with the church as the lease currently specifies that the accommodation is provided for the purposes of primary education.
- 3.9 It is anticipated that the additional hall facilities available at the Cluny Centre would continue to be used by the school until the termination of the lease in June 2017. However, the availability of an additional hall in addition to the gym hall and dining hall in the main school building would exceed the hall provision required at a 15 class school, and the lease for the Cluny Centre would not be renewed after its expiry in June 2017.

Temporary Units

- 3.10 If an annexe at Deanbank Resource Centre were to accommodate South Morningside Primary's P1 to P2 classes there would be a requirement for the main site to accommodate the remaining P3 to P7 pupils (15 classes). The capacity of the main school building (excluding temporary units) is currently 14 classes. This capacity allows for provision of the four required GP spaces. Accordingly, removing the Cluny Centre and both temporary units from the capacity of the main site would mean a shortfall of one classroom space.
- 3.11 However, the school currently operates with 15 classes in the main building. Accordingly, while the school is 'entitled' to an additional GP space, they have operated without it for some time. Additionally, the loss of the temporary units would increase the play area and reduce the pressure on the GP spaces currently available. Furthermore, for at least two years the school would continue to have access to the additional hall space at the Cluny Centre.

Timescales, Construction and Decant Requirements

- 3.12 The Deanbank Resource Centre will be vacated by the end of March 2015. No changes are being made to the exterior of the building and, in planning terms, the current use of the building falls within the same category as a school. Accordingly, no planning application is required.
- 3.13 This means that work could begin following a procurement process and application for the necessary building warrants. If this process were to begin in November 2014, there would be sufficient time to make all the necessary adaptations to the building to allow its use as an annexe of South Morningside Primary School from August 2015. Accordingly, no decant would be required and there would be no disruption to the operation of the school during the construction process.

Statutory Consultation

- 3.14 The establishment of an annexe of South Morningside Primary School at Deanbank Resource Centre would not require statutory consultation as it is a temporary arrangement.
- 3.15 Deanbank Resource Centre is currently not inside the South Morningside Primary School catchment area but is located on the catchment boundary. Catchment changes may be required as a part of the long-term solution for the south Edinburgh area therefore the existing catchment boundary would be left in place until the long-term options have been developed and a final solution agreed.

Financial Implications

- 3.16 The estimated initial costs associated with reconfiguration and refurbishment works at Deanbank Resource Centre are set out below comprising estimated capital costs of £641,000 and revenue costs of £32,000.

	Estimated Cost £
Internal Reconfiguration and Refurbishment Works	328,224
Preliminaries (12.5%)	41,028
Contingencies (10%)	36,925
Inflation to July 2015 (5%)	20,309
Total Cost as at July 2015	426,486
Provisional (Asbestos works, Fencing, Gates, Landscaping, etc)	115,000
CEC Fees (10.35%)	56,044
Other Fees (Structural Engineer, M&E Engineer)	14,700
Statutory Fees	8,578
FF&E	20,000
Total Capital Cost	640,808
Revenue Cost - Demolition of existing Temporary Units	32,000
Overall Total Cost	£672,808

- 3.17 It would also be necessary to lease the building from Health and Social Care. Due to an initial rent free period the rental in the first year would be £39,000 increasing to an annual rent of £52,000. This would be a revenue cost.
- 3.18 However, all of the long-term options (other than developing on the South Morningside Primary School site) to address accommodation issues in South Edinburgh which are the subject of a separate report on the agenda for this Committee rely on the continued use of the Deanbank site either as a permanent annexe or as part of the site of a new school building. Therefore if the preferred long term option requires the eventual purchase of the Deanbank site from Health and Social Care it may be possible to negotiate in the lease terms some form of reduction to the purchase cost to compensate for the £150,000 of rental costs between March 2015 and August 2018, especially given the savings that would have been realised by Health and Social Care in terms of keeping the empty property secure or progressing its demolition. The Estates team are currently investigating this option on behalf of Children and Families.
- 3.19 The running costs of the Deanbank Resource Centre would have to be offset against the running costs currently associated with the temporary units on the main school site. These are likely to be minor but are difficult to separately identify. The current utilities costs for Deanbank (electricity, gas, water and waste disposal) are £33,000 per annum with rates costs for 2014/15 estimated to be £23,000. Additional internal and external maintenance costs would also apply.

- 3.20 The majority of staffing costs would remain the same. However, an annexe solution would entitle the school to additional administration and dining cover – an additional revenue cost estimated to be £20,000. It is estimated that this would, along with other allocations (such as visiting specialists and transport), be the subject of discussions with the school.
- 3.21 The total additional ongoing annual revenue costs associated with this option are estimated to be approximately £128,000.

Stakeholder Options Feedback

- 4.1 At a presentation on Monday 29 September 2014 the working group members set out the two temporary options being considered. This open evening was held for parents and staff at South Morningside Primary School and was attended by approximately 80 people. Attendees were asked to provide feedback to the options through either the parent representatives on the working group or school management.
- 4.2 It was clear from the response of the audience at the open evening on Monday 29 September 2014 that among parents there was overwhelming support for Option 2. This is reflected in the results of the survey conducted by the Parent Council. In summary, the parent’s survey found that, from the 130 emails received following the open evening 79% expressed support for Option 2, 17% for Option 1 and 10% were undecided. The major benefits/disbenefits identified in parents’ responses are set out in the table below.

	Option 1 New 6 Class Temporary Unit	Option 2 Deanbank Annexe
For	<ul style="list-style-type: none"> Avoids significant split site. Provides additional GP and classroom space. 	<ul style="list-style-type: none"> The outdoor play space at Deanbank. The reduced pressure on facilities at the main site. The space available for learning at Deanbank.
Against	<ul style="list-style-type: none"> Road safety and security issues at Cluny remain. Pressure on main site facilities remains. 	<ul style="list-style-type: none"> Distance to the main site and nursery. Road safety issues. Drop off/pick up times co-ordination.

- 4.3 Through the work of the Working Group it is clear that within the wider parent forum there is considerable opposition to Option 1 with some parents only willing to support options that would remove pressure from the main school site and allow the school to vacate the Cluny Centre. This opposition has been fuelled by a belief among some parents that the Council will deliver a temporary solution which will ultimately become the long-term solution.

4.4 A working group meeting with the school management and parent council representatives was held at the school on 3 November 2014 to discuss and resolve the issues that have been raised by the school and parents. The discussion focused on actions which could be taken to make the Deanbank annexe acceptable to all parties. The following actions were agreed:

- Support to the Head Teacher and Business Manager for the remainder of 2014/15 to assist with the increased workload brought about by a project of this scale.
- Discussions with the after school club to encourage provision at both locations including investigating the creation of a breakfast club.
- Parent Council to investigate opportunities for the creation of an informal shared drop off scheme.
- A series of meetings between the Devolved School Management team and the school's management team to be arranged to discuss and resolve staffing and other resource implications
- Head Teacher to review school hours and develop a proposal which would suit the new operational arrangements
- Discussion with Road Safety Team on arrangements for vehicular drop off at Deanbank in light of the involvement of St Peter's RC Primary School in the traffic pilot scheme

Financial

5.1 The costs of each option over a three year period are summarised in the following table. Whilst the cost of the option of leasing the temporary units is slightly lower than option to create the Deanbank Annexe (the estimated cost of which assumes that no alternative chargeable use for the Cluny Centre is found) all of the costs are revenue with the majority requiring to be incurred over the 2014/15 and 2015/16 financial years; a time when revenue budgets are already under very considerable pressures.

	Option 1 Purchase £'000	Option 1 Lease £'000	Option 2 Deanbank £'000
Installation – Revenue	1,173	951	32
Installation – Capital	-	-	641
Ongoing – Additional Revenue (over three years)	48	48	371
Total	1,221	999	1,044

Recommendation

- 6.1 It is recommended that the project to create a temporary P1 to P2 annexe at Deanbank Resource Centre be progressed. This option provides considerable advantages relative to the alternative option of providing temporary units on the existing school site and the actions outlined in paragraph 4.4 will address the remaining concerns which have been expressed by the school and parents.