

PERTH AND KINROSS COUNCIL

Lifelong Learning Committee - 16 January 2013

PROVISION OF PRIMARY SCHOOL AT OUDENARDE

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

ABSTRACT

The purpose of this report is to present proposals for a new primary school at Oudenarde.

1 RECOMMENDATIONS

It is recommended that the Committee:

- 1.1 Approves the terms agreed for the development and the proposed build out of the school as detailed in this report;
- 1.2 Approves the construction of a two stream primary school with initially only 7 classrooms fully fitted out (remaining rooms to be fitted out as required); and
- 1.3 Remits the Executive Director (Education and Children's Services) to bring forward proposals to undertake a statutory consultation on the proposal to establish a new school at Oudenarde in due course.

2 BACKGROUND

- 2.1 This proposal is part of the wider continued programme of investment in the Perth and Kinross school estate to provide modern buildings that satisfy the accommodation needs of Curriculum for Excellence and those of the wider community. It will deliver a primary school within the new village planned at Oudenarde that will support the growing number of pupils and will provide spaces for the wider community to undertake lifelong learning pursuits and sporting opportunities.
- 2.2 The Development Control Committee of October 2002 originally granted the application for the new village proposal at Oudenarde subject to conditions and a Section 75 to secure the main Heads of Terms. Since then, with the onset of the economic recession, there has been a severe impact on the housing and construction industry and the Oudenarde development has not progressed as envisaged previously in a more buoyant housing market. This has had consequences for the provision of infrastructure and facilities including a new primary school which were to be secured through the original Heads of Terms of the Section 75 Agreement.
- 2.3 As a consequence of these changes, a report was presented to the Development Management Committee on 28 November 2012 (Report 12/531 refers) outlining the changes to the Heads of Terms and the conditions to be attached to the outline consent 02/01482/OUT. The Committee approved the changes proposed to the Heads of Terms.

- 2.4 Council approved funding for building the primary school at Oudenarde on 19 December 2012 (Report No.12/586 refers) as part of additional capital expenditure for significant infrastructure projects in the Council's composite capital budget for 2013/20.
- 2.5 In January 2006, it was agreed that Education and Children's Services undertook formal consultations regarding the catchment area for the proposed Oudenarde development. Following a statutory consultation exercise, the catchment area was approved by Lifelong Learning Committee in April 2006 (Report No. 06/267 refers). In the absence of the primary school which was to form part of the development, the designated primary school for this area in the interim was determined as Inch View Primary School and the designated secondary school as Perth Academy. There is no requirement to undertake any further consultation on the catchment area for Oudenarde as this was determined and approved to establish a clearly defined catchment area for the primary school being built as part of the Oudenarde development.

3 PROPOSALS

- 3.1 In view of the continued economic circumstances facing the Council, developers and the general population and the willingness of financial institutions to make funding available for upfront infrastructure, consideration has been given to other ways in which priorities for housing, employment and education can be delivered at the Oudenarde site.
- 3.2 Development Management Committee accepted the new Heads of Terms for the Section 75 for Oudenarde Village and the proposed conditions to be attached to the outline consent on 28 November 2012. The new Heads of Terms include that the Council will construct the primary school and the developer will provide contributions towards the construction costs commensurate with the land/housing sold.
- 3.3 In order to build the school it is intended to construct the two stream primary school with only 7 classrooms fully fitted out. The remaining rooms will be fitted out as required and this should avoid affecting pupils' education and staff within the school being subjected to years of ongoing building works.
- 3.4 The proposal to establish a new school is a relevant proposal contained within the Schools (Consultation) (Scotland) Act 2010 and, therefore, it will be necessary to undertake formal consultations on the proposal to establish a new school at Oudenarde.

4 CONSULTATION

- 4.1 The Head of Democratic Services, Head of Finance, Head of Legal Services 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.

5 RESOURCE IMPLICATIONS

5.1 Capital

The cost of the new school at Oudenarde is £12,529,000. It is anticipated that this will be funded through the Council's composite capital programme.

There is currently a budget allocation of £1,029,000 within the Composite Capital Budget in 2013/14 for the New School Development as agreed by Strategic & Policy Resources Committee on 9 February 2012 (Composite Capital Budget 2012/13 – 2016/17 – Report No. 12/53 refers). This is intended to be the Council's contribution to the provision of 3 classrooms and ancillary support accommodation for the primary school at Oudenarde. This leaves a funding requirement of £11,500,000.

It is estimated that the full value of contributions from developers will total around £12,500,000. These contributions are expected to fall due as the development progresses. It is therefore estimated that contributions will be received over a period of up to 20 years, assuming an upturn in market conditions in the medium term, or 28 years based on the worst case build rates. The only cost to the Council will be the interest charges until the development contributions fully recover the sum borrowed.

The current projected gross value of the project together with proposed phasing is detailed in the table below:

	Previous years spend	2012/13	2013/14	2014/15	2015/16	2016/17	Total
	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)
Oudenarde Primary School	0	0	1,029	5,000	5,000	1,500	12,529

5.2 Revenue

Detailed revenue costs cannot be established until the project design is confirmed, however estimated additional recurring costs have been identified. This will be a budget pressure for Education and Children's services in financial years 2015/16 and 2016/17.

These costs are estimated in the region of £750,000 when the school opens. The costs will increase to approximately £1,800,000 per annum when the school is fully operational as a two stream school.

In addition, a pressure for 'Home to School' transport for secondary pupils will require to be identified and funded.

6 COUNCIL CORPORATE PLAN OBJECTIVES 2009-2012

6.1 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 five objectives.

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

- Maximising Resources

7 EQUALITIES IMPACT ASSESSMENT (EqIA)

7.1 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.

7.2 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 Eq1A

8 STRATEGIC ENVIRONMENTAL ASSESSMENT

8.1 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).

The matters presented in this report were considered under the Environmental Assessment (Scotland) Act 2005 and no further action is required as it does not qualify as a PPS as defined by the Act and is therefore exempt.

9 CONCLUSION

9.1 It is recommended that the Committee notes the alternative funding arrangements being put in place for Oudenarde Primary School and approves the construction methodology proposed for the school. The report also remits

the Executive Director to undertake a statutory consultation on establishing a new school at Oudenarde.

JOHN FYFFE
Executive Director (Education and Children's Services)

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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