

## **Implementing the Learning Estate Strategy (update on Cuiken and Sacred Heart Primary Schools)**

**Report by Dr Mary Smith, Director of Education, Communities and Economy**

### **1 Purpose of Report**

Committed to the creation of a world-class education system the Learning Estate Strategy was approved by Council in September 2017. The purpose of this report is to obtain governance from Council to progress with the extension of Cuiken Primary School and the extension and refurbishment of Sacred Heart Primary School, including expansion of Early Years places at Sacred Heart.

### **2 Background**

The Learning Estate Strategy which was presented to Council in September 2017 outlined the policy led strategy for the school estate and Council agreed the short term strategy through to 2023 including actions (10) and (11):

- Extension of Cuiken Primary School to two stream;
- Extension and refurbishment of Sacred Heart Primary School, including early years' expansion.

Cuiken Primary School, built in 2009, has nine primary class bases and core facilities suitable for a two-stream school, including a 60 place nursery. The pupil roll of Cuiken is projected to rise as a result of housing development in Penicuik. In August 2018 it will be operating with ten classes, using one of the school's general purpose areas as a class base. The extension to Cuiken will add six primary classes bringing the school up to two stream with fifteen primary classes. The new floor plan for Cuiken is provided in appendix 3.

Sacred Heart, built in 1974 as an open plan school, has capacity for five primary classes and a 20 place nursery. The school has only one space which provides dining and activity space and also serves as a corridor linking the two open plan teaching areas. The pupil roll of Sacred Heart is projected to rise as a result of housing development in Penicuik. It is currently operating with six classes to accommodate this growing pupil roll and in expectation that the capacity of the school will be expanded in the short-term, in line with the Council's decision in September 2017.

The plan for expansion of Early Learning and Childcare in Penicuik to 1,140 hours by 2020 is to increase the pre-school capacity at Sacred Heart to 64 places.

In January 2017 Property Services looked at various options to increase the capacity of Sacred Heart Primary School from 20 pre-school places and 125 primary places to 64 pre-school places and 210 primary school places. A summary of the cost options considered at that time is included in appendix 5. Officers in discussion with the head teacher agreed that option 5 was the preference, for which the cost estimate at that time was £3.068 million. This option encompassed a partial refurbishment with an extension of 532 square metres, which would provide the additional primary and pre-school capacity required and a separate activity hall. The pre-school area would be expanded in its current location within the school by incorporating some of the adjacent classroom space. The new floor plan for Sacred Heart is provided in appendix 4.

In June 2017, in advance of consideration of the Learning Estate Strategy, Council approved a budget of £200k to allow the appointment of architects and to progress the preparation of detailed plans and costs for the extension and refurbishment of Sacred Heart Primary School and for the extension of Cuiken Primary School. This has been done and planning has been obtained for both projects.

Additional capacity is required at both schools by August 2019 to avoid the schools operating in excess of capacity in the 2019/20 school session.

The updated costs of the proposed extensions and refurbishment are summarised in the resources section and detailed in appendices 1 and 2.

### 3 Report Implications

#### 3.1 Resource

##### Capital

<b>Cuiken Primary School Appendix 1</b>	<b>Extension Total</b>
<b>Area</b>	<b>665m2</b>
	<b>£000's</b>
Capital Cost	2,094
Developer contribution funding	-2,094
<b>Net Borrowing Requirement</b>	<b>Nil</b>

<b>Sacred Heart Primary School Appendix 2</b>	<b>Extension</b>	<b>Refurbishment</b>	<b>Total</b>
<b>Area</b>	<b>622m2</b>	<b>1,224m2</b>	<b>1,846m2</b>
	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
Capital Cost	2,046	2,038*	4,084
Developer contribution funding	-1,166	0	-1,166
Early Years Expansion Funding	-338	-286	-624
<b>Net Borrowing Requirement</b>	<b>542</b>	<b>1,752</b>	<b>2,294</b>

\* includes £184,000 for furniture & fittings for refurbished areas

Capital expenditure budgets of:-

- £2.094 million for the extension to Cuiken Primary School; and
- £4.084 million for the extension and refurbishment to Sacred Heart Primary School

will require to be allocated in the General Services Capital Plan, replacing the current provision of £0.200 million for design works for Cuiken & Sacred Heart within the General Services Capital Plan.

Early Years Grant Funding from Scottish Government shall be applied in line with the phasing of these costs. Developer contributions totalling £1.060 million are expected to be collected from signed Section 75's with a further £2.200 million expected to be received from Section 75's from sites allocated within the current Local Plan.

The expected phasing of the capital costs and funding are as follows:-

Financial Year	2017/18 £000's	2018/19 £000's	2019/20 £000's	2020/21 £000's	Later Yrs £000's	Total £000's
<b>Cuiken Primary</b>	75	1,009	908	101	0	<b>2,094</b>
<b>Sacred Heart Primary – Extension</b>	23	1,011	910	101	0	<b>2,046</b>
<b>Sacred Heart Primary – Refurbishment</b>	23	1,008	907	101	0	<b>2,038</b>
<b>Developer Contributions</b>	0	0	-1,325	-1,111	-824	<b>-3,260</b>
<b>Early Years Grant Funding</b>		-316	-278	-31	0	<b>-624</b>
<b>Total</b>	<b>121</b>	<b>2,712</b>	<b>1,123</b>	<b>-839</b>	<b>-824</b>	<b>2,294</b>

### Revenue

Expansion will lead to additional revenue costs associated with the increase in floor area such as NDRI, utilities and cleaning. At this point, these have not been assessed but will need to be fully incorporated into future years' budget projections.

The affordability gap of the draft Capital Strategy, incorporating the LES is set out elsewhere on today's agenda and the costs for these projects are in line with those incorporated in the draft Capital Strategy, albeit members should note the significant affordability gap attached to the draft Capital Strategy.

## 3.2 Risk

There is a risk that the Council will not have a place for every pupil at their catchment school which is mitigated by the application of limits on pupil intake and the proposals to put in place additional capacity at Cuiken and Sacred Heart Primary Schools.

### 3.3 Single Midlothian Plan and Business Transformation

Themes addressed in this report:

- ☐ Community safety
- ☐ Adult health, care and housing
- ☒ Getting it right for every Midlothian child
- ☐ Improving opportunities in Midlothian
- ☒ Sustainable growth
- ☐ Business transformation and Best Value
- ☐ None of the above

### 3.4 Impact on Performance and Outcomes

The aim of this paper supports the priority to reduce the inequalities in learning outcomes by improving the quality of learning and teaching, leading to raised levels of achievement and attainment, by providing every child with the opportunity to attend school in their local community.

### 3.5 Adopting a Preventative Approach

The Council's approach to pupil placement adopts a preventative approach by maximising the opportunities for pupils to attend school in their local community.

### 3.6 Involving Communities and Other Stakeholders

This report asks Council to approve two of the short term strategy items from the Learning Estate Strategy 2018-2023. The Head Teachers of Cuiken and Sacred Heart Primary Schools have been consulted on the proposals.

### 3.7 Ensuring Equalities

This paper asks Council to approve two of the short term strategy items presented in the Learning Estate Strategy for which an Equality Impact Assessment was carried out and made available in the Members' Library along with the Learning Estate Strategy.

### 3.8 Supporting Sustainable Development

The sustainability issues relating to this report relate to the sufficiency of schools places particularly in areas of housing development, the provision of additional capacity as proposed in this report supports the objective of sustainable development.

### 3.9 IT Issues

There are no IT issues arising directly as a result of this report. The IT requirements arising in order to put in place the additional capacity for each school will be identified as part of the development of the project specifications.

## 4 Recommendations

Council is recommended to:

1. Approve capital expenditure budgets in the General Services Capital Plan of £2.094 million for the extension of Cuiken Primary School and £4.084 million for the extension and refurbishment of Sacred Heart Primary School, including the expansion of Early Years Provision at Sacred Heart, replacing the current £0.200 million provision in the General Services Capital Plan for these projects;
2. Note the utilisation of Early Years Grant funding of £0.624 million towards the project, funding the construction costs associated with expanding the Early Years provision at Sacred Heart Primary School to 64 places;
3. Note the estimated developer contributions of £3.260 million that can be applied to part fund the capital expenditure of these projects;
4. Note the additional net borrowing requirement of £2.294 million;
5. Instruct the Director of Resources to progress both projects to the construction phase.

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## Appendices

1. Cuiken Primary School Pre Contract Cost Estimate
2. Sacred Heart Primary School Pre Contract Cost Estimate
3. Cuiken Primary School Proposed Floor Plan
4. Sacred Heart Primary School Proposed Floor Plan
5. Sacred Heart Options Appraisal January 2017 – Cost of Options

## Background Papers:

Learning Estate Strategy 2017-2047, Midlothian Council 26 September 2017

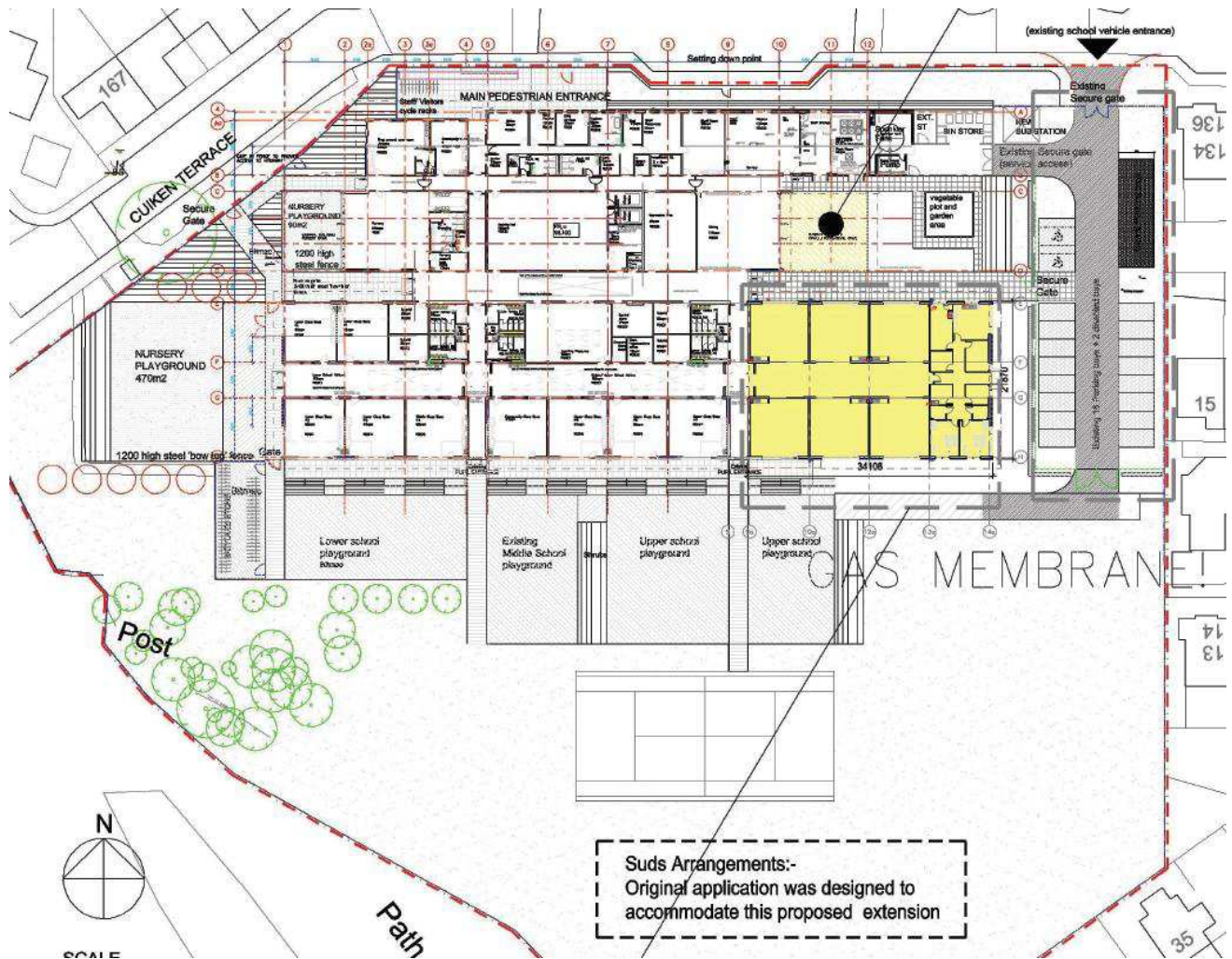
**Contract:** Cuiken Primary School Extension

[illegible]

<b>Contract:</b>						<b>Sacred Heart Primary School</b>					
Dated:	28/05/2018		Profess No:	C388		Prepared by:	NB				
Period	May-18		Integra								
<b>Approved pre-contract development budget</b>											
<b>Estimated Budget</b>											
<b>1 Main Contractor - Construction Works Budget</b>											
		Estimated tender (incl design fees if part or t		3,200,000		3,360,000					
		Contingencies		160,000							
				<u>3,360,000</u>							
<b>2 Other Works</b>											
Estimated costs for:		FF&E		93,300		161,602					
		IT		68,302							
				<u>161,602</u>							
<b>3 Amount for Fees (Internal/External)</b>											
Estimated costs for:		Internal Fees (Arch )		134,400		378,735					
		Internal Fees (PM )		50,400							
		QS		67,200							
		Struc Engineer		37,500							
		Fire engineer		5,000							
		M&E Engineer		44,000							
		Principal Designer		8,700							
		Others (include warrant/planning costs here)		13,500							
		Contingencies		18,035							
				<u>378,735</u>							
<b>Estimated Total Budget</b>						3,900,337					
<b>SAY</b>						3,910,000					

## Cuiken Primary School – Proposed Floor Plan

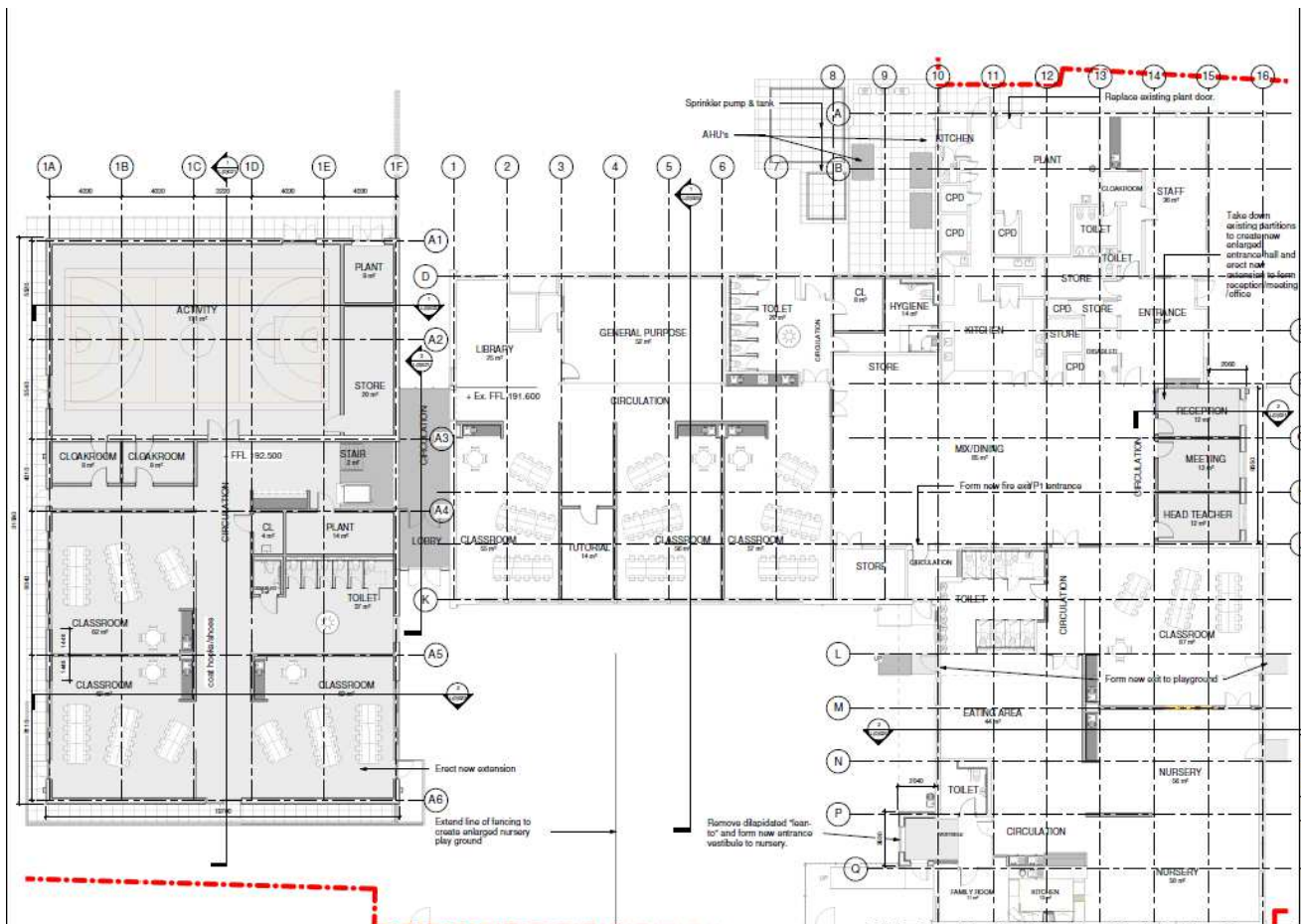
The yellow shading shows the proposed construction area.





## Sacred Heart Primary School – Proposed Floor Plan

The grey shading shows the proposed new construction area.



## Sacred Heart Options Appraisal January 2017 - Cost of Options

### Sacred Heart Primary School - Options Appraisal

#### Options Summary

Option	Proposal	Cost	£ (x 000000)	Ranking (by highest cost)
1	Refurbish Existing School (1050m <sup>2</sup> )	£ 1,318,900	£1.32m	7
2	Partial Refurbishment with 580m <sup>2</sup> Extension	£ 3,205,774	£3.2m	3
2A	Partial Refurbishment with 621m <sup>2</sup> Extension	£ 3,327,161	£3.33m	2
3	Partial Refurbishment with 429m <sup>2</sup> Extension	£ 2,769,884	£2.77m	5
4	Partial Refurbishment with 323m <sup>2</sup> Extension	£ 2,460,898	£2.46m	6
5	Partial Refurbishment with 532m <sup>2</sup> Extension	£ 3,067,834	3.07m	4
6	Total Demolition and Rebuild	£ 7,906,800	£8m	1

#### Assumptions

- (i) Refurbishment Costs vary from £1000-£1400/m<sup>2</sup> - refurbishment excludes kitchen area
- (ii) Extension Costs limited to £2,400/m<sup>2</sup> (as new build costs are not appropriate)
- (iii) Costs applicable 1st Quarter 2017
- (iv) Allowance made for Temporary Units (provided by Portacabin)
- (v) Fees assumed at 10% of construction costs plus contingencies
- (vi) No significant ground abnormalities
- (vii) Costs are indicative budget estimate figures based on costs per m<sup>2</sup>  
(more detailed cost planning to follow on once option to progress is chosen)
- (viii) Costs exclusive of VAT

January 2017

