



20 February 2017

Dear Member

CITY OF INVERNESS AREA COMMITTEE: THURSDAY, 23 FEBRUARY 2017

In relation to the agenda circulated for the above Meeting, please find attached the following additional urgent item:-

AGENDA ITEM 15

School Investment Priorities in Inverness

(P 1-4)

There is circulated Report No CIA/14/17 dated 17 February 2017 by the Director of Care and Learning which updates on the review of the pressures facing Inverness schools and the outcome of the recent review of the capital programme. It also outlines the key capital investment priorities in the coming years that have emerged for consideration. A further update will be provided at the meeting following a separate briefing session with Members.

The Committee is invited to consider the report, in particular the priorities listed in Section 4, and to note that an update on the outcome of the briefing session with Members on Monday 20 February 2017 will be provided at the Committee meeting.

Yours sincerely

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Depute Chief Executive/
Director of Corporate Development

The Highland Council
City of Inverness Area Committee
23rd February 2016

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| Agenda Item | 15 |
| Report No | CIA/ 14/17 |

School Investment Priorities in Inverness

Report by Director of Care and Learning

Summary

This report updates on the review of the pressures facing Inverness schools and the outcome of the recent review of the capital programme. It also outlines the key capital investment priorities in the coming years that have emerged for consideration. A further update will be provided at the meeting following a separate briefing session with Members.

1. Background

- 1.1 Various reports to the Education, Children and Adult Services (ECAS) Committee, along with briefings to Inverness Ward Members, have updated on progress with the review of the pressures affecting Inverness schools and identified the most immediate priorities for future capital investment. It was also advised that the current funding allocation will not address all of these within the life of the existing approved capital programme.
- 1.2 At the most recent ECAS Committee meeting in January, it was agreed that a report be presented to this Committee to allow projects to be prioritised prior to consideration of the wider Care and Learning Capital Programme at the ECAS Committee on 1st March 2017. A separate briefing session for Members has been arranged for Monday 20th February. An update on the outcome of this session will be provided at the Committee meeting.

2. Capital Programme

- 2.1 The capital programme approved by the Council in March 2015 includes a funding allocation of £48.0M for Inverness Schools. The profile of this funding is as follows.

| 15/16 | 16/17 | 17/18 | 18/19 | 19/20 | 20/21 | 21/22 | 22/23 | 23/24 | Total |
|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 0.5M | 2.5M | 5.5M | 10.5M | 10.0M | 7.0M | 8.5M | 3.0M | 0.5M | 48.0M |

- 2.2 The Scottish Government subsequently awarded additional capital grant funding of £2.8M for the expansion of Gaelic Medium Provision in Inverness. This brings the total funding awarded to £4.0M, £1.2M of which had already been included in the £48.0M referred to above.
- 2.3 As well as this funding, the approved programme assumes income from Developers' Contributions totalling £3.15M up to 2023/24.

- 2.4 A review of the Council's capital programme was undertaken last year and a report was considered by the Council in December.
- 2.5 As part of that review, Care and Learning submitted Outline Business Cases (OBC's) for a number of critical projects. These included the following projects in Inverness.
- **Bun-sgoil Ghàidhlig Inbhir Nis/Slackbuie Area:** New Primary School/Additional Accommodation
 - **Merkinch Primary School/Family Centre:** Redevelopment of Campus
 - **Ness Castle:** New Primary School
 - **Stratton:** New Primary School
- 2.6 The Council report made clear that the cost of all of the additional developments cannot be met by minor adjustments to the existing programme, and will require a significant strategic shift in funding plans. In the meantime, the report stated that officers will continue to refine the existing programme, with a particular emphasis on identifying the projects that will ensure the Council meets all of its legal and statutory requirements in the most cost-effective way.

3. Immediate Investment Priorities

- 3.1 The actions approved by the ECAS Committee at the meeting in January in relation to the most immediate priorities are listed in this Section.
- 3.2 **Ness Castle:** A site has been provided through a Section 75 agreement with the developer at Ness Castle to serve the housing developments there and at Ness-Side. It is evident from the revised roll projections, and other works carried out to date, that the new school requires early consideration. This would address the educational need arising from these developments, and recognising that capacity and other associated issues at Holm and Lochardil Primary Schools mean that there is limited scope for expansion at those schools. Given the need to progress a statutory consultation to establish a new school, and the lead time to then progress the project to construction, it was agreed that Ness Castle is approved as an early priority from within the £48M allocated for Inverness Schools in the existing capital programme. A report will come back to the ECAS Committee in due course to formally commence the statutory consultation.
- 3.3 **Cauldeen Primary School:** The ECAS Committee previously approved a budget of £4M from the overall £48M allocation for the construction of an Additional Support Needs annexe along with works to increase nursery provision at the school. Tenders have been received for this project and are currently being evaluated. This project remains a key part of the development of school accommodation necessary in the Inverness area and it was agreed that the contract should be awarded.
- 3.4 **Smithton Primary School:** An OBC was also submitted for a new school at Stratton to meet demand from housing developments in the Duncan Forbes and Smithton catchment areas. The various trigger points at which investment will be required are being determined but it is clear that additional capacity will be required in the short to medium term before a new school could be delivered. Smithton is one of the schools referred to in Paragraph 3.5 that is

facing capacity and suitability issues. While a modular classroom unit would help to address these in the short term, improvements are also likely to be needed to permanently increase the capacity. A feasibility study has been completed and it was agreed that detailed design work should be undertaken on a project to extend and partially refurbish the school and an update reported to the March meeting of the ECAS Committee.

3.5 Roll Pressures for 2017/18: There are several primary schools with pressing capacity and suitability issues where classroom units require to be installed in 2017/18 to address the most immediate of these issues. Discussions are ongoing with colleagues in Development and Infrastructure regarding the procurement of these units and the likely timescales. The affected schools are as follows:

- Hilton Primary
- Holm Primary
- Merkinch Primary
- Smithton Primary

4. Future Investment Priorities

4.1 As previously stated, the current funding allocation will not address all of the required investment priorities within the remaining life of the existing approved capital programme (i.e. up to 2023/24). These priorities are highlighted in the remainder of this Section.

4.2 Primary Schools: As well as the proposed investment at Ness Castle, Cauldeen and Smithton outlined in Section 3, the following are the key priorities in the coming years.

- **Bun-sgoil Ghàidhlig Inbhir Nis (BSGI)/Slackbuie:** Either a new school to house a relocated and potentially larger BSGI (with the existing building used as an English Medium school) or additional English Medium accommodation in adjacent schools.
- **Hilton Primary - Extension/Refurbishment:** To address capacity and suitability issues.
- **Kinmylies Primary/Muirtown Primary, Additional Accommodation:** To address capacity issues.
- **Merkinch Primary/Family Centre:** To address capacity, condition and suitability issues in the existing school building and to establish a Family Centre in the area.
- **Milton of Leys Primary, Early Learning and Childcare Annexe:** Includes conversion of existing nursery accommodation to primary classrooms to address capacity issues.
- **Stratton, New Primary School:** To meet future demand from housing developments in the Duncan Forbes and Smithton catchment areas.
- **Further Classroom Units:** As necessary to meet short to medium term roll pressures.

4.3 Secondary Schools: The initial focus has been on primary schools, but the pressures on secondary schools are now being assessed. Investment to address capacity and condition issues at Charleston and Culloden Academies

would be required at some point during the life of the existing capital programme and more details of the likely nature and scope of this are being explored. Consideration may also have to be given to the requirement for an additional secondary school to be built at some point.

- 4.4 **Early Learning and Childcare (ELC):** The Scottish Government budget for 2017/18 indicates additional funding (revenue and capital) for ELC, and to progress delivery of flexible childcare and 1,140 hours by 2020. It is as yet unclear how funding will be allocated to Councils, and what clarity there may be over future years funding given the need to manage this as a multi-year plan leading to 2020. The Council is involved in national level discussions with Scottish Government about the development of ELC, and in the meantime is continuing to ensure that capital investment requirements associated with 1,140 hours are fully considered as part of forward planning and prioritisation. The implementation of the expanded provision will have implications for most of the primary schools in Inverness and these have to be considered in conjunction with the other matters currently under review. However, some of the projects listed in 4.2 would include enhanced nursery accommodation.

5. Implications

- 5.1 **Resource:** As set out in this report.
- 5.2 **Legal:** Statutory consultations will be required to establish any new schools or relocate existing schools.
- 5.3 **Equalities:** All projects take account of relevant equality issues, in particular the consideration accommodation for pupils with Additional Support Needs.
- 5.4 **Climate Change/Carbon Clever:** All major projects take account of these requirements, where feasible.
- 5.5 **Risk:** Risk assessment and ongoing monitoring is undertaken as part of the management of the capital programme and individual projects.
- 5.6 **Gaelic:** The ongoing review includes assessing options to address capacity and suitability issues at Bun-sgoil Ghàidhlig Inbhir Nis.
- 5.7 **Rural:** There are no particular implications to highlight.

Recommendations

Members are asked to consider the report, in particular the priorities listed in Section 4, and to note that an update on the outcome of the briefing session with Members on Monday 20th February will be provided at the Committee meeting.

Designation: Director of Care and Learning

Date: Friday 17th February 2017

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