

# Report

Report to:	<b>Executive Committee</b>
Date of Meeting:	<b>1 March 2023</b>
Report by:	<b>Executive Director (Education Resources)</b>

Subject:	<b>Proposals to Extend, Upgrade and Modernise Our Lady of Lourdes Primary School, East Kilbride</b>
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## 1. Purpose of Report

1.1. The purpose of the report is to:-

- ♦ update the Executive Committee on proposals to extend, upgrade and modernise Our Lady of Lourdes Primary School, East Kilbride

## 2. Recommendation(s)

2.1. The Committee is asked to approve the following recommendation(s):-

- (1) that the extension, upgrading and modernisation of Our Lady of Lourdes Primary School as detailed in this Report be approved; and
- (2) that approval is given to submit a Change Control to the Glasgow City Region Deal Programme to provide part funding for the Our Lady of Lourdes Primary School Project.

## 3. Background

3.1. In January 2004, the Council entered a 20-year lease with Investec to provide a modular construction building to be utilised as a school building for Our Lady of Lourdes Primary School and Nursery Class. The lease term was to end on 30 January 2024. At its meeting on 19 January 2021, the Education Committee approved the acquisition of the Our Lady of Lourdes building. The building has now been acquired and forms part of the Council's property portfolio.

3.2. Following the acquisition, a feasibility study has been undertaken at the school to provide solutions and costs for the following:-

- ♦ 3 additional classrooms to accommodate pupil growth predicted from several housing developments in the school catchment area
- ♦ a comprehensive internal and external upgrade of the existing building to include; a new roof, over cladding of the external walls, upgrading of the ventilation and heating systems, new windows and doors, general works to bring the school up to the high specification of the recently completed Primary Schools Modernisation Programme
- ♦ works to secure the playground with a dedicated entrance walkway and security fencing around the perimeter of the school playground

#### **4. Programme**

- 4.1. The internal and external upgrading of the school building would be extremely difficult to undertake with the school remaining within the existing building. Works would have to be undertaken over several 6-week summer holiday periods and would take a number of years to complete. This staggered and interrupted construction programme would also lead to significant cost increases and the school would, essentially, be a construction site over this period. There could also be significant impact on the educational environment for pupils and staff if major construction works are undertaken while the school is operational.
- 4.2. The upgrading of the utilities will cause significant disruption to the ceiling and wall partitions which are required to be undertaken in zones. The over cladding, windows and door replacement and new roof all have implications for the safe movement of staff and pupils throughout, due to scaffolding and the Access Strategy requirements, and would cause significant Health and Safety issues. Timescales would also be significantly increased by possibly two to three years as some works could only be undertaken when the school is closed. Housing and Technical Resources are concerned about the Health and Safety issues and the disruption to Education implications of undertaking the works with the school continuing to operate on the site.
- 4.3. It is, therefore, proposed to take the opportunity to decant Our Lady of Lourdes Primary School to the new Jackton Primary School building currently being constructed close by as part of the East Kilbride Community Growth Area. The new non-denominational Primary School at Jackton is currently programmed to open to pupils in August 2023. However, in the first year of operation, the new building will have sufficient accommodation to house both schools. Pupils from Our Lady of Lourdes Primary School would be transported to the new school for the period of the decant. It would not be possible to decant the Our Lady of Lourdes Nursery Class to the new school and Early Years have proposed that these children be accommodated at the new Kilbryde Early Learning and Child Care Centre. The distance between Our Lady of Lourdes Primary School and the proposed decant is 3 miles and the Jackton site is within the catchment area of Our Lady of Lourdes Primary School. The distance between Our Lady of Lourdes Primary School and Kilbryde ELCC Centre is 0.8 miles.
- 4.4. Subject to the successful completion of the new Primary School at Jackton in summer 2023 and approval of City Deal Funding, the proposal is that the decant of Our Lady of Lourdes Primary School would commence in August 2023, for 12 months, with the School returning to their extended and upgraded school building in August 2024. Consultation around this will be required with both schools and their parents.

#### **5. Employee Implications**

- 5.1. Education employee resources at Our Lady of Lourdes Primary School would continue to be provided by means of existing staffing protocols and agreed management structures. Catering and Janitorial personnel at Our Lady of Lourdes Primary School would be redeployed within the East Kilbride area for the period of the decant but will be given the opportunity to return to Our Lady of Lourdes Primary School at the end of the decant period.

#### **6. Financial Implications**

- 6.1. The estimated budget requirement of the proposed extension and upgrading of Our Lady of Lourdes Primary School is £4.754 million. These costs will be subject to detailed design and tender.

- 6.2. The identified budget requirement includes the costs of transport and decanting the pupils and staff as this is a necessary requirement to upgrade the building to South Lanarkshire standards.
- 6.3. The proposal to fund the estimated spend of £4.754 million is noted in Table 1 and includes monies from the Glasgow City Region City Deal, Developer Contributions from the local area and an element of the Scottish Government's Free School Meals funding which will be used to upgrade the kitchen facilities as part of the project.

**Table 1: Our Lady of Lourdes Primary School – Estimated Budget and Funding**

	<b>Estimated Budget Required (£m)</b>	<b>Funding</b>			
		<b>Glasgow City Region City Deal (£m)</b>	<b>Developer Cont.'s (£m)</b>	<b>Scottish Govt Free School Meals (£m)</b>	<b>Total Funding (£m)</b>
Cost of Extension, Upgrade and Modernisation	4.754	1.000	3.354	0.400	4.754

- 6.4. A Change Control request will need to be submitted to the Glasgow City Region City Deal Cabinet in the first instance, requesting funding of £1 million be reallocated within the Council's overall City Deal Programme, which has been specifically earmarked for this project. If successful, submission of a Final Business Case will follow on completion of a tender exercise.
- 6.5. There is a risk that the change control request for City Deal funding is unsuccessful. Should this be the case, the overall project plans will need to be reviewed in the context of the funding available.
- 6.6. The timing of the receipt of developer contributions is dependent on house building activity. Based on the most recent predictions of annual expenditure and income, and the other Education commitments which have already been approved (Jackton Primary School, St Andrew's and St Bride's High School), the developer contributions from the East Kilbride Community Growth Area will not be available for the Our Lady of Lourdes Primary School project until later years. This will create a temporary shortfall in funding commencing in financial year 2023/2024 to 2027/2028.
- 6.7. In order to address this, the Council will have to borrow to manage this on a cash-flow basis. It is estimated that this will be repaid during 2027/2028 and 2028/2029, when the developer contributions are profiled for receipt. The expenditure and income profile, as well as the cost of temporary borrowing, is shown in Appendix 1.
- 6.8. Based on the assumed profile of expenditure and income, Appendix 1 shows a total cost of borrowing of £0.276 million. This will be funded by developer contributions earmarked for Our Lady of Lourdes but not included in the capital expenditure funding package above.
- 6.9. As noted in Section 6.6, the position detailed in Appendix 1 is based on the current assumed receipt date for developer contributions. There is a risk that these income streams, which are dependent on the house-building market, will be impacted by the current economic climate and developments will not progress as planned. There is,

therefore, an additional risk in terms of when the developer contributions for the East Kilbride Community Growth Area will be received, falling beyond current estimates of financial year 2027/2028. For each year of a delay, this would result in an £0.073 million additional cost of borrowing which would need to be managed within the Education Resources Budget.

- 6.10. Furthermore, given the current economic climate, there is a risk that the developments at East Kilbride Community Growth Area do not progress at all beyond a given point. Should this happen, the overall shortfall in funding for this project could be up to £2.420 million. This funding gap would need to be considered in the context of future year Capital Programmes.

## **7. Climate Change, Sustainability and Environmental Implications**

- 7.1. The extension and refurbishment design will include a range of sustainable technology to reduce the carbon footprint of the building. The works will include sustainable/renewable technologies relating to lighting, power, heating and energy generation systems which will be utilised to help produce as close to a 'carbon neutral' building as possible, within the budget available.

## **8. Other Implications**

- 8.1. There are no other implications identified.

## **9. Equality Impact Assessment and Consultation Arrangements**

- 9.1. There was no requirement to carry out an Equality Impact Assessment in terms of this report.

**Tony McDaid**

**Executive Director (Education Resources)**

16 February 2023

## **Link(s) to Council Values/Priorities/Outcomes**

- ◆ Accountable, effective, efficient and transparent
- ◆ Fair, open and sustainable
- ◆ Our children and young people thrive

## **Previous References**

- ◆ Acquisition of Our Lady of Lourdes Primary School Building
- ◆ Item 6, Education Committee 19 January 2021

## **List of Background Papers**

- ◆ Education Committee 19 January 2021. Acquisition of Our Lady of Lourdes Primary School Building

## **Contact for Further Information**

If you would like to inspect the background papers or want further information, please contact:-  
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**Our Lady of Lourdes – Profile of Spend / Income and Cost of Borrowing**

	21/22 Actual £m	22/23 Est. £m	23/24 Est. £m	24/25 Est. £m	25/26 Est. £m	26/27 Est. £m	27/28 Est £m	28/29 Est £m	Total Est. £m
<b>Expenditure</b>	<b>0.050</b>	<b>0.300</b>	<b>3.000</b>	<b>1.404</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4.754</b>
<b>Income:</b>									
- City Deal	-	-	1.000	-	-	-			1.000
- Developer Contributions	0.050	0.300	0.410	0.165	0.009	-	1.700	0.720	3.354
- Free School Meals			0.400						0.400
<b>Total Income</b>	<b>0.050</b>	<b>0.300</b>	<b>1.810</b>	<b>0.165</b>	<b>0.009</b>	<b>-</b>	<b>1.700</b>	<b>0.720</b>	<b>4.754</b>
<b>Surplus/(Deficit)</b>	<b>-</b>	<b>-</b>	<b>(1.190)</b>	<b>(1.239)</b>	<b>0.009</b>	<b>-</b>	<b>1.700</b>	<b>0.720</b>	<b>-</b>
<b>Cumulative Surplus/(Deficit)</b>	<b>-</b>	<b>-</b>	<b>(1.190)</b>	<b>(2.429)</b>	<b>(2.420)</b>	<b>(2.420)</b>	<b>(0.720)</b>	<b>-</b>	<b>-</b>
<b>Cost of Borrowing</b>	<b>-</b>	<b>-</b>	<b>0.035</b>	<b>0.073</b>	<b>0.073</b>	<b>0.073</b>	<b>0.022</b>	<b>-</b>	<b>0.276</b>