

Report

Report to:	Executive Committee
Date of Meeting:	26 May 2021
Report by:	Executive Director (Education Resources)

Subject:	Expansion of Newton Farm Primary School
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ Provide information on pupil projections at Newton Farm Primary School.
- ◆ Outline physical expansion proposals for the School.
- ◆ Outline Scottish Government Funding approval.
- ◆ Seek Council Capital Funding for the expansion of the School and consider the planning for annual revenue consequences of the building extension and the effect of increased pupil numbers on areas such as staffing.

2. Recommendation(s)

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

- (1) to note that due to projected pupil numbers, a 7-classroom extension is required to Newton Farm Primary School, as detailed at section 3.3. This will allow work to begin in July 2021 in time for completion by August 2022;
- (2) to note that a catchment review will be required, and a proposal will be presented for consideration at a future Executive Committee meeting to allow statutory consultation to take place (Section 3.5);
- (3) to note that the Council has been successful in obtaining funding for this extension from the Scottish Government's Learning Estate Improvement Programme (LEIP), an outcomes-based revenue funding model (Section 5.7);
- (4) to note that as a result of the LEIP revenue funding provided, the Council is responsible for the upfront cost of building the extension required to deliver the agreed outcomes (Section 7);
- (5) to note that the capital costs of the project will be included as part of the Capital programme report to the Executive Committee in June, and
- (6) to note that the associated annual revenue property costs, and increasing annual costs such as staffing, will require to be considered as part of the Council budget setting process for 2022 onwards.

3. Background

3.1. Newton Farm Primary School is located within the Newton Community Growth Area (CGA) housing development and its catchment area includes this large-scale housing development and the established settlements of Newton and Westburn. The school was constructed with 14 mainstream classrooms and has a planning capacity of 420 pupils, based on an average planning capacity of 30 pupils per class.

- 3.2. The current pupil roll (September 2020 census) is 489 mainstream pupils and by August 2024 the school is predicted to have 805 pupils. The number of pupils generated per household in the Newton CGA is significantly higher than the SLC average of 30 pupils/1000 homes/year group. Based on the housing completions contained in the Council's 10-year Housing Supply list, the school roll is predicted to rise as follows:

Year	Actual 2020	2021	2022	2023	2024	2025	2026	2027	2028
Total	489	567	630	663	740	777	787	795	805

The current over capacity issue is temporarily being managed with the use of Mobile Teaching units and second classroom teachers. This is not, however, sustainable in the long term.

- 3.3. To provide additional accommodation for the increased pupil numbers, funding of £0.170m was approved in the 2020/2021 Capital Programme to undertake initial design work on an extension to the school. The extension has been limited to 7 classrooms to provide a total of 21 mainstream classrooms. Based on a Planning Capacity of 30 pupils per classroom the capacity would be 630 pupils. This is considered the maximum number of classrooms which can be accommodated long term for the school site to allow the ancillary school accommodation to function effectively. The reasons for a maximum seven class extension include:-
- (i) Each class requires 2 hours P.E. each week, with 21 mainstream classes and 4 ASN classes this equates to 50 hours per week required for P.E. activities. In addition, the school will hold assemblies with the children each week. This is likely to be split into an infant, a junior and a senior assembly thereby using 3 hours of the available assembly/gym hours. The assembly hall and stage are also used by classes for drama and performances and therefore flexibility is required to allow these activities to be slotted into the timetable. The proposed number of 21 mainstream classrooms makes it possible to timetable the required PE by making good use of the available external spaces of the MUGA, pitch and playground in combination with the gym hall. Any further expansion of the number of classrooms would mean this legislative requirement could not be achieved for every pupil each week.
 - (ii) Dining – a 21 classroom school would expect to require three sittings to feed all the pupils over the lunch period. This is possible to achieve with an extended service from catering staff and a staggered/rolling lunch time for different pupil stages. This dining room would be operating at the maximum capacity with regards to seating space and with the time required to feed the children without impacting on the amount of teaching and other curricular activities that are required each day.
 - (iii). The initial planning and design process for Newton Farm Primary School took into consideration the need for a potential future extension and a phase 2 build within the school grounds. A 21 classroom school ensures children will be able to continue to have appropriate outdoor space, including playground space, an excellent full size pitch and MUGA facilities.

(iv). The current car park numbers can accommodate the proposed extension and any daytime community activities.

- 3.4. In 2019, the Corporate Central Research Unit undertook an investigation into pupil generation numbers over a number of years in South Lanarkshire new housing estates. Looking in particular at the Data Zones of the new housing estates of Drumsagard, Cambuslang and Lindsayfield, East Kilbride the children generation figures clearly show that these estates initially have a significantly higher number of children per household as new housing is occupied. This effect continues until the development is fully developed and then reduces as the children in the occupied houses grow up. Eventually numbers drop back down to the South Lanarkshire norm of 30 children per year group per 1000 houses. This occurs gradually over a number of years. This is known as the 'spike effect'.
- 3.5. To effectively manage the future number of pupils attending Newton Farm Primary School, catchment alterations will also require to be considered. Options are currently being considered and a proposal will be presented for consideration at a future Executive Committee meeting. Newton Farm Primary School's classroom accommodation will, for a period of time, require to be supplemented by-
- i. additional temporary accommodation.
 - ii. additional classroom teachers.
 - iii. use of other available accommodation in the area.
- 3.6. These measures will be required until the spike in pupil numbers reaches its highest level and then begins to reduce back to the South Lanarkshire Council average. The timescales for this are dependent on house building completions.

4. Nursery and Additional Support Needs (ASN)

- 4.1. The provision of Early Learning and Childcare and ASN base provision do not operate within set catchment areas. There is no requirement to increase the number of nursery places within Newton Farm Primary School as there is sufficient capacity in the Cambuslang area to meet demand. ASN provision is managed by Inclusion Services and spaces allocated as appropriate across geographical locations with transport provided. Any future ASN places required in the area will be managed as part of the Inclusion Services' overall annual allocation process.

5. Learning Estate Improvement Programme (LEIP) Funding

- 5.1. In November 2018, the Scottish Government announced a £1bn funding solution for improving Scotland's School Estate. The programme is managed for the Scottish Government by the Scottish Futures Trust (SFT). The focus of the funding was that it would be for specific projects, it would be revenue in nature (and not count against the Scottish Governments capital allocation), and that it would equate to providing approximately 50% of the costs a council would incur in funding a capital project. The investment programme would underpin the Learning Estate Strategy which was being developed by the Scottish Government.
- 5.2. A Local Authority commits to deliver defined, measurable outcomes through investment in infrastructure. Where these outcomes are met, the Scottish Government will make regular revenue payments for a set period reflecting the value of the outcomes achieved. Where outcomes are not met, the local authority bears the risk of any reduced payment.

- 5.3. The funding provided could be used to meet the costs of maintaining a school, including Facilities Management (FM) costs and Life Cycle (LC) costs. This would leave Councils with the funds they would have incurred on FM and LC costs which could now be used for other project costs. This funding would be allocated through an annual payment over 25 years in recognition of achieving 4 outcomes, namely:
- Condition – this involves committing to keep the funded asset in condition A/B for a period of 25 years.
 - Energy efficiency – funding based on achieving an ambitious energy target. Funding reduces on a sliding scale if the energy rating achieved once the school is operational is lower than the target.
 - Digitally enabled learning – the underlying facility infrastructure should be capable of supporting 1 GB service in the facilities learning spaces.
 - Economic Growth – funding provided if target level of jobs created is met through the asset construction phase.
- 5.4. The majority of the funding is provided for the condition outcome (around 50%). The balance of funding comes from the other outcomes (Energy efficiency – around 25%, Digital – Around 20% and Economic Growth – around 5%).
- 5.5. The funding model itself is complex, with different matrices assigned to different categories of asset (e.g., primary, secondary, ASN). The programme is based on the principle that Scottish Government and local authority funding is provided 50:50 for each project (in relation to area and notional costs) to support the achievement of the programme's outcomes.
- 5.6. However, there is a risk to the Council that if these outcomes or targets are not achievable, the level of funding provided will not meet the original intent. The main concern is over the energy efficiency target, citing the baseline as being a very ambitious target. The Scottish Government have mitigated these concerns as follows:
- this will not be a pass/fail outcome for funding, but a sliding scale will be attached, with a corresponding alteration to funding depending on which range is demonstrated as being achieved.
 - the funding for the energy outcome will commence in year 3 of operations to allow a 2-year period to monitor in use energy consumption and optimise systems and behaviour.
 - the energy outcome will be assessed every 5 years in years 7, 12, 17 and 22. In the event of a change of performance from the previous measurement, there will be a 1-year grace period to allow Councils to rectify the change and bring back to the original target of maintain improved energy performance, before any required changes to funding are implemented.
- 5.7. The Scottish Government announced in late December 2020 that the Newton Farm Primary School Extension project had been successful in meeting the qualifying criteria for Phase 2 of the Programme. The financial implications are discussed further in Section 7.

6. Employee Implications

- 6.1. As the school roll grows additional teachers and support staff will be required.

7. Financial Implications

- 7.1. The capital cost of the extension to Newton Farm Primary School is £4.390 million. As detailed in Section 3.3, the Council has already provided funding of £0.170 million, as part of the 2020/2021 Capital Programme, to allow design work on the new extension to progress. The balance of £4.220 million will need to be added to the Council's General Services Capital Programme in the following financial years: 2021/2022: £2.542m, 2022/2023: £1.569m and 2023/2024 £0.109m.
- 7.2. A contribution totalling £0.790 million from the Newton Farm Community Growth Area is anticipated, on completion of the 720th Residential Unit, towards a second phase of development at Newton Farm Primary School. This takes the Council's contribution to £3.430 million and it is intended that the Council borrows to fund these costs. This borrowing is subject to the approval of the Executive Committee. The annual cost of borrowing £3.430 million is an average of £0.189 million across 25 years, a total cost of £4.725 million.
- 7.3. As discussed in Section 5, the Scottish Government have developed a funding model which will provide funding on the achievement of the defined outcomes of the school extension and could assist the Council in paying for the ongoing maintenance costs of the new extension. It is anticipated that an average payment of £0.132 million per annum will be provided by the Scottish Government over a 25-year period (total £3.302m). This includes inflationary increases and importantly, is on the basis that all outcomes are achieved.
- 7.4. Should outcomes not be met, or are only partially met, the Scottish Government's annual payment will reduce, and the Council will still be responsible for meeting the ongoing costs of the project. Concerns around not achieving outcomes, especially in relation to energy efficiency, have been mitigated and these are discussed further at Section 5.6.
- 7.5. This Scottish Government's funding model supports the Council's Revenue budget to maintain the property over its lifespan. The Council would have to incur these costs regardless, so this funding releases other Council money to help pay the costs of the Council's borrowing.
- 7.6. As a result of this extension there will be an increase in annual revenue costs for property and staffing as well as the additional borrowing costs (section 7.5). These additional costs will require to be considered as part of the Council budget setting process for 2022/2023. This would be in the region of £0.730 million (£0.650 million staffing costs and £0.080 million running costs).

8. Climate Change, Sustainability and Environmental Implications

- 8.1. The new extension will meet all South Lanarkshire Council requirements in respect to Climate Change, Sustainability and Environmental implication. To maximise Scottish Government, Learning Estate Improvement Programme, the new extension will be required to be developed in line with BB101 2018/CIB Se TM52 and an Energy target of 67 kWh/sqm/annum for core hours of 2,000 p.a.

9. Other Implications: Management of Pupil Numbers in interim period from August 2021.

- 9.1. In August 2021 it is currently estimated that the numbers at Newton Farm Primary School will require 19 classrooms. To accommodate these pupil numbers the school will use all 14 classrooms, GP/gym area and have 4 Mobile Teaching Units (MTUs) on site (currently have 2 on site).

- 9.2. Subject to capital funding approval for 2021/22 it is in the best interests of the children within the local community to plan for a construction start in July 2021 with completion for August 2022.

10. Equality Impact Assessment and Consultation Arrangements

- 10.1. There is no requirement to carry out an impact assessment in terms of the proposals contained in this report.

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7th May 2021

Link(s) to Council Values/Ambitions/Objectives

- Improve achievement, raise educational attainment and support lifelong learning
- Ensure schools and other places of learning are inspirational

Previous References

- South Lanarkshire Council, 25 March 2020 - Update to Local Government Settlement and Capital Programme 2020/2021

List of Background Papers

None

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:-

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