

**REPORT TO: EDUCATION AND POLICY & RESOURCES COMMITTEES
- 28 JUNE 2010**

**REPORT ON: REVIEW OF GROVE OFFICE AND EASTERN PRIMARY
ACCOMMODATION**

JOINT REPORT BY: CHIEF EXECUTIVE & DIRECTOR OF EDUCATION

REPORT NO.: 384-2010

1.0 PURPOSE OF REPORT

1.1 The purpose of this report is to consider a range of accommodation options in Broughty Ferry, in respect of the accommodation at the old Grove Academy and the Eastern Primary School.

2.0 RECOMMENDATIONS

2.1 The Education and Policy & Resources Committees are asked to:

- i. note and approve the contents of this report;
- ii. note that three options are offered for consideration in the review of Grove Office and Eastern Primary School accommodation (paragraph 5.1 below);
- iii. approve in principle option 3 (the permanent re-location of Eastern Primary School to the old Grove Academy building); and
- iv. instruct the Director of Education to consult formally on the proposal contained in recommendation iii) above, in terms of the Schools (Consultation) (Scotland) Act 2010, and report back to Committee in due course on the outcome of the consultation (paragraph 5.4.2 below).

3.0 FINANCIAL IMPLICATIONS

3.1 The approved Capital Plan has a provision of £2,812,000 for option 1, including the works for both Grove House and Eastern Primary School. If this report were approved, there would be a saving against the approved Capital Plan of at least £772,000, with the possibility that the level of saving could increase to a sum in excess of £1m.

3.2 In addition, there would be estimated revenue savings of £120,000 if option 3 were agreed.

4.0 BACKGROUND

4.1 The Policy & Resources Committee meeting on 8 December 2008 approved Report 624-2008, which included a comprehensive review of office accommodation throughout the city. A key element of that report was the establishment of extensive office accommodation at the old Grove Academy for 186 Education Department staff and 151 Social Work Department staff. The total capital cost of this development is currently estimated to be £1.912m, and the work to create the offices is scheduled to take place between June 2010 and March 2011

- 4.2 Education Department property staff and Architectural Services electrical staff have recently identified that major extensive rewiring work is necessary at Eastern Primary School. Initially, two options on how to carry out the work were considered:
- during the summer holidays over the next three years at a cost of £580,000; or
 - over a single three-month period, having decanted Eastern Primary School into the old Grove Academy, at a cost of £350,000
- 4.3 The Director of Education has identified opportunities for mobile and flexible working to be introduced within his Department, and also a level of spare capacity within schools, which means that the number of Educational Development Service staff who needed to be located at Grove House has reduced from the original projection.
- 4.4 Having considered the implications of all of the above factors in paragraphs 4.1 to 4.3, Council officers have reviewed a number of options for the long term utilisation of Grove House and Eastern Primary School.

5.0 OPTION APPRAISAL

- 5.1 Officers have identified three options for the consideration of the Education Committee:

- Option 1 status quo for Grove House, i.e. development of office accommodation for Education and Social Work staff, and rewiring of Eastern Primary to be undertaken over 3 years
- Option 2 temporary decant of Eastern Primary to Grove House, allowing rewiring of the school to be undertaken over a three-month period in spring 2011: this would result in a five-month postponement of the removal of Council staff to Grove House
- Option 3 permanent re-location of Eastern Primary to Grove House

5.2 Option 1: Status quo for Grove House

- 5.2.1 Grove House would be occupied immediately after the conclusion of the planned refurbishment in March 2011. However, the implementation of mobile and flexible working practices by the Director of Education, and more efficient utilisation of the school estate, would mean that many of the 186 Education staff originally planned for Grove House would no longer need to be located there. Consequently, the building would be underutilised, or alternatively staff from other Council departments would have to be identified to take their place.
- 5.2.2 The rewiring of Eastern Primary School would take place in each of the summer holidays 2010 to 2012 inclusive. This option appears to cause the least disruption for the staff and pupils of Eastern Primary School. However, there is a pressing need to have this work completed, given the identified risk of a serious breakdown of the present system. Even were this not to occur, this option represents an inefficient and costly approach to the job.
- 5.2.3 The total combined net capital cost of this option is estimated to be £2,662,000 (appendix 1).

5.3 **Option 2: Temporary decant of Eastern Primary**

- 5.3.1 This option proposes the temporary decant of Eastern Primary School into the Grove House office accommodation, with some additional works being required to allow the decant. During the period April to August 2011 the rewiring and some other refurbishment works would be carried out at Eastern Primary School, with the children and staff returning there in August 2011.
- 5.3.2 This option clearly causes some disruption to the pupils and teachers of Eastern Primary school, and requires additional work to be carried out at Grove House to allow the school to be accommodated for the summer term.
- 5.3.3 The planned occupation of Grove House by Education and Social Work staff would take place in September 2011, five months after the original planned date for the move.
- 5.3.4 The total combined net capital cost of this option is estimated to be £2,610,000 (appendix 2). While there is a saving on the cost of the rewiring at Eastern Primary School, this is partially offset by the cost of the decant and the inclusion of some additional capital works.

5.4 **Option 3: Permanent re-location of Eastern Primary**

- 5.4.1 This option proposes the permanent re-location of Eastern Primary School to the Grove House building. It would also allow a cohort of approximately 45 other Education Department staff to be located within that building.
- 5.4.2 Were the Education Committee to approve this option in principle, it would be necessary, under the terms of the Schools (Consultation) (Scotland) Act 2010, to prepare and publish a formal proposal paper, including an educational benefits statement, and to consult formally with the Parent Councils of Eastern Primary School and Grove Academy, the parents of pupils attending or expected to attend these schools within two years of the date of publication of the proposal paper, the pupils at these schools, the staff at these schools, relevant trade unions, the Broughty Ferry Community Council and any other users of the affected schools. The intention is that consultation will take place in August/September 2010, and will involve meetings of interested parties and adverts in the local media. Thereafter the Council will require to prepare and publish a Consultation Report. A report on the outcome of the consultation will be brought back to the Education Committee on 27 September 2010 to allow the Committee to review the proposal.
- 5.4.3 The Director of Education has discussed this option with the Head Teacher of Eastern Primary School, and both believe that it can provide a number of educational benefits:
- the proximity to the new Grove Academy allows, in effect, the creation of an all-through campus incorporating early years, primary and secondary sectors, which will facilitate and enhance the implementation of a Curriculum for Excellence
 - better opportunities for effective transition between the sectors
 - ready opportunity for the sharing of accommodation, for instance primary use of the swimming pool

- greatly enhanced accommodation for Eastern Primary School, including spacious classrooms, break-out space for active play, extensive PE and games facilities, and a dedicated dining hall and servery
- safe and secure playground space for Eastern Primary School
- scope for future expansion of Eastern Primary School into a three-stream school if necessary

5.4.4 In addition, were this option to be approved, the number of staff potentially requiring parking space at or around the Grove House development would reduce from 337 (plus visitors) to approximately 70. There is no doubt this would reduce the current anxiety felt by local residents regarding parking around and within the Grove House office development. The Education Department is currently working with parents and all schools to improve arrangements for dropping off and picking up pupils, and the Eastern Primary School Travel Plan would be reviewed to take account of this move.

5.4.5 The Chief Executive has discussed this option with the Director of Social Work who is happy that the Social Work staff who were to transfer to Grove House remain in the meantime at Balmerino Road. They would remain there for up to three years prior to moving to alternative accommodation to be identified as part of corporate asset management planning.

5.4.6 As with all school accommodation in the city, the local community would have access to Eastern Primary School outwith school times. The original proposal for Grove House office provision envisaged the Centenary Hall being available for community use, under the auspices of Dundee Leisure, during the day but this option would require Eastern Primary to have ready access to the hall at all times in the school day. Access to the Centenary Hall would still be available for community use outwith school times.

5.4.7 The total combined net capital cost of this option is estimated to be £1,890,000, but assumes a loss of a capital receipt that may not occur; accordingly the net cost is likely to reduce even further. A breakdown of the net capital cost is detailed in appendix 3. In addition, were this option approved, the Council would receive annual revenue savings on the property costs of the Eastern building of circa £120,000 per annum (appendix 4).

5.5 **Conclusion**

5.5.1 Option 3, the permanent relocation of Eastern Primary School to the old Grove Academy building, is the preferred option. There are clear educational benefits as outlined in paragraph 5.4.3 above, there is a benefit in terms of a reduced requirement for parking space, there are opportunities for expansion of school capacity in Broughty Ferry should this prove necessary, and there are significant capital and revenue savings to be made.

6.0 **POLICY IMPLICATIONS**

6.1 This report has been screened for any policy implications in respect of sustainability, strategic environmental assessment, anti-poverty, equality impact assessment and risk management. There are no major issues.

7.0 CONSULTATIONS

7.1 The Depute Chief Executive (Support Services) and Director of Finance have been consulted on this report.

8.0 BACKGROUND PAPERS

8.1 None.

**DAVID K. DORWARD
CHIEF EXECUTIVE**

21 JUNE 2010

**JIM COLLINS
DIRECTOR OF EDUCATION**

21 JUNE 2010

REVIEW OF GROVE OFFICE AND EASTERN PRIMARY ACCOMMODATION

Option 1

The original programme, i.e. Education and Social Work staff move into Grove House, Eastern Primary School remains where it is and the necessary maintenance work at that school is carried out with no decant. Within this option there is a capital receipt from the Balmerino Road site to be considered.

Original alterations to Grove to accommodate Education and Social Work offices		£1,912,000
DCS abortive works		£10,000
Costs associated with Eastern Primary School		
Rewire over (3 years)	£580,000	
Window replacement	£200,000	
Zinc roof	£100,000	
Flooring	£10,000	
	<u>£890,000</u>	<u>£890,000</u>
		<u>£2,812,000</u>
Less Capital Receipts	<u> </u>	£150,000
Estimated Capital Cost (3 year period)		<u><u>£2,662,000</u></u>

REVIEW OF GROVE OFFICE AND EASTERN PRIMARY ACCOMMODATION

Option 2

Temporarily decant Eastern Primary School into Grove House during the period April to August 2011 to allow the rewiring of the Eastern Primary School building, and thereafter relocate Social Work (Balmerino Road) and Education (EDS, etc.) into Grove House after Eastern Primary School returns to the Whinny Brae site. Within this option there is a capital receipt from the Balmerino Road site to be considered.

Alterations etc to Grove as per original cost		£1,912,000
Additional costs at Grove House for temp decant of Eastern PS		
Alteration to servery	£20,000	
Temp toilets (hire)	£12,000	
Temp service connection	£13,000	
Temp fencing and external works	£15,000	
DCS abortive costs	£10,000	
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	£70,000	
Prelims & Contingencies	£14,000	
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	£84,000	
Fees	£6,000	
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	£90,000	£90,000
Decant (Eastern PS) (2 way)		£48,000
		<hr/>
		£2,050,000
Maintenance works at Eastern Primary School		
Complete rewire	£350,000	
Decoration	£50,000	
Window replacement	£200,000	
Zinc roof	£100,000	
Flooring	£10,000	
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	£710,000	£710,000
		<hr/>
		£2,760,000
TOTAL COST		
Less Capital Receipts		£150,000
		<hr/>
		£2,610,000
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REVIEW OF GROVE OFFICE AND EASTERN PRIMARY ACCOMMODATION

Option 3

Permanently relocate Eastern Primary School into Grove buildings together with some Education staff (EDS). Social Work staff remain at Balmerino Road office buildings for up to three years prior to moving to alternative accommodation to be identified as part of Corporate Asset Management planning. Within this option there are capital receipts from Eastern Primary School and the Balmerino Road site to be considered. A notional loss of a capital receipt has been assumed for the use of alternative accommodation for Social Work during the next three years, however with mobile and flexible working this assumed loss may not occur.

Original alterations etc to Grove adjusted for Eastern PS		£1,340,000
Allowance for relocating balance of Education staff to other locations		£60,000
Additional costs at Grove for permanent relocation of Eastern PS		
Toilets for pupils (2 sets)	£80,000	
Toilets for nursery	£20,000	
Servery reinstatement	£15,000	
Dining storage	£20,000	
Fencing and externals	£30,000	
	<u>£165,000</u>	
Prelims & Contingencies	£35,000	
	<u>£200,000</u>	
Fees 13.8% (and Admin Charges)	£30,000	
	<u>£230,000</u>	£230,000
Social Work to remain at Balmerino Road offices for three years - minimum maintenance		£60,000
Permanent relocation of Social Work to alternative accommodation		£750,000
Decant		
Education (EDS) to Grove	£18,000	
Eastern Primary School to Grove	£22,000	
Social Work to alternative accommodation	£20,000	
	<u>£60,000</u>	£60,000
		<u>£2,500,000</u>
Less Net Capital Receipts		-£610,000
		<u>£1,890,000</u>

REVIEW OF GROVE OFFICE AND EASTERN PRIMARY ACCOMMODATION

Option 3 – Potential Revenue Savings

	2009-2010
Property Costs	£000
Rates	22456
Water & Sewerage	4537
Cleaning	45555
Repairs and Maintenance	24282
Energy	23694
TOTAL	120524