

THE HIGHLAND COUNCIL
EDUCATION, CULTURE AND SPORT SERVICE COMMITTEE

13 March 2008

Agenda Item	
Report No	

Capital Investment – strategic planning model

Report by Director of Education, Culture and Sport Service

Summary

This report outlines an approach to future Capital investment planning in the schools sector taking into account factors such as school building condition, recent Capital expenditure, placing requests, school capacity and the 10 year projected school roll figure. Members are asked to consider this strategic model and approve its use for future Capital investment and work-force planning within the schools sector. It also has the potential to be used for aspects of community planning decisions and presented to members at a Ward level.

1. INTRODUCTION

- 1.1 There is a need to ensure that financial resources are targeted to the areas of greatest identifiable need in Capital planning. In addition there is a requirement, during periods of significant demographic change, to have a planning model which can assist with assessing future workforce levels in schools.
- 1.2 It is important that there is a single data source which can facilitate strategic decision-making in relation to investment and workforce planning. Historically this information has been available but it has never been consolidated within a single document. Section 2 of this report outlines the creation of a strategic planning model that will provide a weighted score for each school in Highland that in turn will inform future decision-making. This model could be used to inform Capital investment, asset management, workforce planning and possibly also aspects of community planning decision-making.
- 1.3 The model will provide a 10 year planning horizon. As a result of the relative risks associated with data which provide projections 10 years ahead it is essential that there are robust governance and review protocols introduced in order to ensure the continuing integrity of the model. Suggested measures to ensure the integrity of the model and related protocols are outlined in section 3 of the report.
- 1.4 The suggested approach ties in with wider work currently being undertaken in relation to asset management, developers' contributions and capital investment planning.

2. THE STRATEGIC MODEL

2.1 The proposed model is appended as **Appendix 1 (a)** for the Primary sector and **Appendix 1 (b)** for the Secondary sector. The model comprises the following headings:

- Condition per Estate Strategy
- Suitability per Estate Strategy
- Capital Expenditure 2004 to 2007
- Capital Expenditure in current financial year
- School Capacity
- Placing requests in
- Placing requests out
- Projected school roll figures for the next 10 years

2.2 The document amongst other things records the percentage relationship between the projected school for each of the financial years between 2007-08 and 2016-17 and the related school capacity figure. This information can be represented graphically by Associate School Group and outlines for each school this relationship over a 10 year period. This relationship is exemplified in **Appendix 2**.

2.3 In order to provide a basis for Capital investment decision-making it is essential to convert the above data into some form of scoring mechanism that could be used to rank schools for decision-making purposes. It is proposed that the scoring mechanism is based on the following factors, suitably weighted:-

- Condition and suitability
- Capital expenditure within the most recent 5 year period
- The percentage relationship between projected school roll and school capacity

Appendix 3 outlines the basis on which the scoring mechanism will be initially calculated, however this will be refined on an on-going basis. **Appendix 4** reflects the application of the scoring mechanism to each of the schools contained within Appendices 1 (a) and 1 (b).

3. PROTOCOLS UNDERPINNING THE MODEL

3.1 There are 2 fundamental factors that will underpin the effectiveness and reliability of the strategic model as an aid to decision-making, namely:

- Integrity
- Accountability

3.2 The integrity of the model will be assured by ensuring that the component parts are subjected to a process of regular challenge and review. In order to ensure that the model is constructed on a consistent and uniform basis it is recommended that the following actions are carried out at its inception:

- The condition and suitability of all schools should be reviewed in line with Scottish Government guidelines.

- The Capital expenditure on each school for the 5 year period from 2003/04 to 2007/08 should be provided – action Finance Service
- An updated consistent basis for calculating school capacity figures will be available by the start of the new academic year in August 2008 – action Area ECS Managers in consultation with representative Head Teacher groups.
- The current placing requests to and from each school will be provided for each school – action Area ECS Managers.
- The 10 year school roll projections are subjected to a robust process of challenge and frequent and regular review – action Planning and Development in conjunction Area ECS Managers and Head Teachers.

3.3 Thereafter there should be a quarterly review to update the model. This will be overtaken by a standing group comprising of named representation from ECS, Housing and Property, Finance Service and Planning and Development. This group, under the chairmanship of the Head of Support Service, ECS, would have the accountability for ensuring the on-going integrity of the strategic model.

4. GOVERNANCE

4.1 An annual report would be produced each autumn, after the formal school roll census data is known, that would include details of the schools with the highest weighted score. This should include the highest scoring 20 schools which is equivalent to 10% of the school estate. For each of these schools a recommended course of action would be included within the report.

4.2 The recommendations would cover the following key component parts:

- Investment decisions
- Asset management decisions
- Workforce planning decisions
- Community planning – where alternative or additional uses could be made of school buildings

5. Recommendations

5.1 Members are requested to:-

- Approve the development of the model outlined in section 2 as the basis for future decision-making in the school estate. This would include decisions relating to Capital investment, asset management planning, workforce planning and community planning
- Approve the related protocols outlined in section 3 of the report that will ensure the on-going integrity of the model and provide a frame-work for accountability.
- Approve the governance arrangements outlined in section 4 of the report.

Signature:

Designation: Director of Education, Culture and Sport

Date: 25 February 2008

Author: Ron MacKenzie, Head of Support Services

Ref:

Background Papers:-

Annex 1 (a) Primary sector model

Annex 1 (b) Secondary sector model

Annex 2 Relationship between school roll and school capacity

Annex 3 Scoring mechanism

Annex 4 Revised model reflecting scores

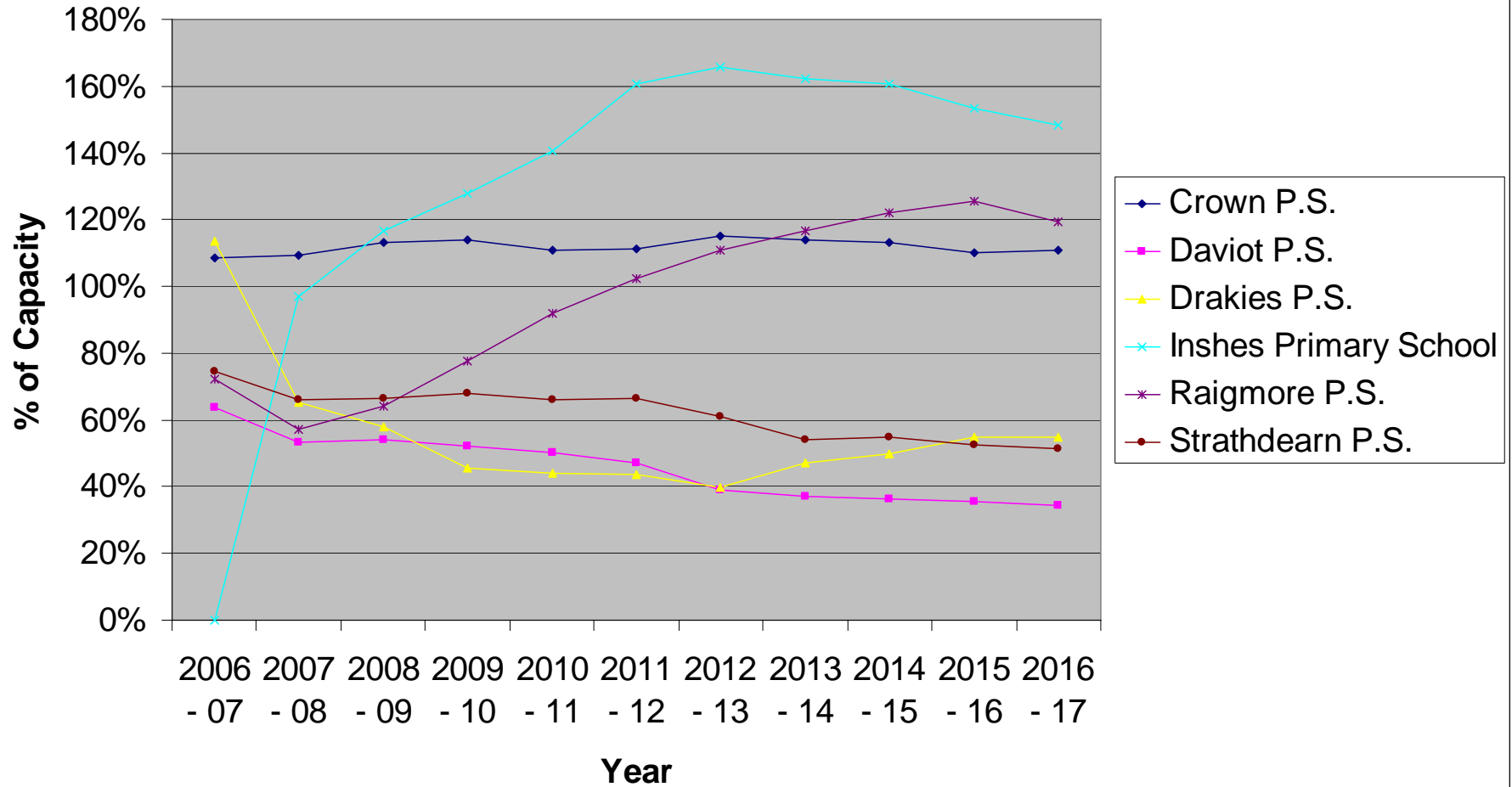
															APPENDIX 1(a)				
INVERNESS PRIMARY SCHOOLS	Condition per Estate Strategy	Suitability per Estate strategy	Capital Expenditure 2004 to 2007	Capital Expenditure 2007-08	School Capacity	Placing requests in	Placing requests out	School roll 2006-07	School roll 2007-08	School roll 2008-09	School roll 2009-10	School roll 2010-11	School roll 2011-12	School roll 2012-13	School roll 2013-14	School roll 2014-15	School roll 2015-16	School roll 2016-17	
Aldourie P.S.	C	C	7,967	63,354	40	3	0	35	38	41	43	38	37	37	36	36	36	31	
Ardersier P.S.	B	B			145	0	4	107	103	100	114	109	118	124	131	131	130	123	
Balloch P.S.	B	B	6,445		279	17	4	297	269	264	263	236	218	203	198	200	195	190	
Balnain P.S.	B	B	574	454	47	4	1	35	32	35	38	41	39	41	40	42	41	40	
Beauty P.S.	C	D	91,609	37,702	171	1	2	115	117	111	104	98	96	94	90	87	87	85	
Bishop Eden P.S.	C	B	1,799		63	19	0	62	57	60	66	62	67	67	66	68	67	66	
Bunsgoil Ghaidhlig Inbhir Nis	A	A	4,931	77,930	150	0	0	0	101	99	102	106	107	110	110	105	105	105	
Cannich Bridge P.S.	B	A	1,107		96	0	0	30	28	31	31	34	34	37	36	37	37	37	
Cauldeen P.S.	C	C	411,668	19,369	415	6	20	202	204	212	220	219	221	217	217	210	193	185	
Central P.S.	B	B	25,615		279	23	8	346	244	254	258	268	272	266	275	277	279	279	
Cradlehall P.S.	C	B	18,151		342	21	6	348	327	327	307	302	296	296	291	297	296	292	
Crown P.S.	C	B	103,500	72,286	333	13	5	361	364	377	380	369	370	383	380	377	367	369	
Croy P.S.	B	A	20,615		96	8	1	76	60	59	58	56	56	57	58	57	56	54	
Dalneigh P.S.	C	C	219,885		387	12	4	198	188	178	188	199	211	219	219	223	224	218	
Daviot P.S.	C	C	14,836		47	0	2	30	25	25	25	24	22	18	17	17	17	16	
Dochgarroch P.S.	C	C	42,546		36	0	1	32	36	43	48	48	53	51	51	49	50	48	
Drakies P.S.	C	B	44,192	9,309	360	6	2	409	235	208	164	158	157	143	170	180	198	197	
Duncan Forbes P.S.	C	B	90,127	16,208	306	23	13	275	279	269	280	286	279	280	266	273	274	267	
Farr P.S.	C	D	98,825		47	4	0	38	50	59	60	65	65	63	64	62	59	62	
Foyers P.S.	B	B	3,151	3,774	47	1	1	22	13	15	20	21	21	21	22	23	24	23	
Glenurquhart P.S.	B	B	903,059	28,572	120	5	4	131	136	133	130	133	131	132	128	121	113	115	
Hilton Inv P.S.	C	B	63,359	55,580	387	27	19	338	328	335	326	328	332	325	325	329	334	331	
Holm P.S.	C	B	32,153	115,729	267	21	4	212	205	209	230	238	254	265	287	298	300	304	
Inshes Primary School	A	A	1,895,224	204,184	306	0	15	0	297	357	391	430	492	507	496	492	469	454	
Kilchuimen Primary	B	B	91,947		120	0	2	71	71	77	76	79	87	88	83	81	77	74	
Kinmylies P.S.	C	C	(17,000)		360	5	10	139	137	147	162	171	173	181	177	174	172	162	
Kirkhill Primary School	A	B	2,311		225	4	2	159	150	151	149	144	149	148	145	143	135	138	
Lochardil P.S.	D	C	4,382	182,307	270	22	14	260	241	241	258	281	302	307	307	306	305	290	
Merkinch P.S.	C	B	305,574	54,088	306	6	51	280	277	292	341	361	392	402	411	414	413	394	
Muirtown P.S.	C	C	89,677	9,151	306	14	3	222	211	201	198	196	195	204	199	204	210	203	
Raigmore P.S.	C	B	80,379	5,500	252	8	11	182	144	162	196	232	258	279	294	308	316	301	
Smithton P.S.	C	B	90,469		294	7	41	230	235	252	263	264	274	272	275	282	279	271	
St. Joseph's P.S	C	B	21,614	2,411	198	16	1	188	169	161	160	165	168	162	166	170	168	166	
Strathdearn P.S.	A	A			71	0	0	53	47	47	48	47	47	43	38	39	37	36	
Stratherrick P.S.	D	B			47	0	2	29	29	31	35	33	33	32	31	26	26	24	
Teanassie P.S.	C	D	33,331		71	3	1	64	70	67	66	67	68	68	68	67	63	65	
Tomnacross P.S.	C	B	100,602	40,610	96	0	2	93	76	83	91	93	91	92	95	100	97	95	
TOTAL			4,904,624	998,518	7,382	299	256	5669	5593	5716	5888	6001	6186	6236	6261	6305	6250	6110	
									-76	123	172	113	185	50	25	45	-55	-140	
								47	295	285	298	235	75	70	-11	-195			

APPENDIX 1(b)

INVERNESS	Condition per Estate Strategy	Suitability per Estate strategy	Capital Expenditure 2004 to 2007	Capital Expenditure 2007-08	School Capacity	Placing requests in	Placing requests out	School roll 2006-07	School roll 2007-08	School roll 2008-09	School roll 2009-10	School roll 2010-11	School roll 2011-12	School roll 2012-13	School roll 2013-14	School roll 2014-15	School roll 2015-16	School roll 2016-17	
SECONDARY SCHOOLS			2004 to 2007	2007-08															
Charleston Academy	B	C	558,148	120,692	805	28	4	862	849	853	847	854	852	836	839	821	817	825	
Cullooden Academy	B	C	180,215	804	967	13	21	1030	1057	1072	1072	1091	1087	1067	1049	995	979	985	
Glenurquhart HS	A	A	47,310	6,325	350	3	0	235	236	234	224	222	203	209	210	218	219	216	
Inverness HS	C	B	137,693	0	810	0	46	463	453	435	404	385	350	348	352	369	396	443	
Inverness Royal Academy	B	C	127,101	448	1,033	23	16	924	952	990	1002	1049	1072	1125	1146	1176	1219	1258	
Kilchuimen Academy	B	B	1,876	112,358	125	0	2	78	76	66	71	76	76	78	84	83	82	85	
Millburn Academy	B	C	36,274		1,187	54	18	1063	1097	1084	1082	1124	1144	1188	1201	1227	1275	1332	
TOTAL				240,627	5,277	121	107	4655	4720	4734	4702	4801	4784	4851	4881	4889	4987	5144	
									65	14	-32	99	-17	67	30	8	98	157	
										79	-18	67	82	50	97	38	106	255	

APPENDIX 2

Millburn ASG Primary School Projections



1. Condition and Suitability per Estate Strategy:

	Score
• Condition A	1.0
• Condition B	2.0
• Condition C	3.0
• Condition D	4.0
• Suitability A	0.5
• Suitability B	1.0
• Suitability C	1.5
• Suitability D	2.0

2. Capital investment in most recent 5 years:

	Score
• Less than £250K	2.0
• Greater than £250K less than £500K	1.5
• Greater than £500K less than £750K	1.0
• Greater than £750K less than £1.0M	0.5

3. Percentage relationship between projected school roll and school capacity

	Score
• Greater than 150%	8.0
• Greater than 140%	7.0
• Greater than 130%	6.0
• Greater than 120%	5.0
• Greater than 110%	4.0
• Greater than 100% less than 110%	1.0
• Greater than 60% less than 100%	0.0
• Greater than 50% less than 60%	1.0
• Less than 50%	2.0

ANNEX 4

	Score Condition	Score Suitability	Score Investmen	Score Roll/Capacity	TOTAL
Farr PS	3.00	2.00	2.00	6.00	13.00
Dochgarroch PS	3.00	1.50	2.00	6.00	12.50
Merkinch PS	3.00	1.00	1.50	5.00	10.50
Crown PS	3.00	1.00	2.00	4.00	10.00
Inshes PS	1.00	0.50	0.50	7.00	9.00
Daviot PS	3.00	1.50	2.00	2.00	8.50
Kinmylies PS	3.00	1.50	2.00	2.00	8.50
Lochardil PS	4.00	1.50	2.00	1.00	8.50
Beauly Ps	3.00	2.00	2.00	1.00	8.00
Dalneigh PS	3.00	1.50	2.00	1.00	7.50
Bishops Eden PS	3.00	1.00	2.00	1.00	7.00
Cauldeen PS	3.00	1.50	1.50	1.00	7.00
Drakies PS	3.00	1.00	2.00	1.00	7.00
Foyers PS	2.00	1.00	2.00	2.00	7.00
Stratherrick PS	4.00	1.00	2.00	0.00	7.00
Teanassie PS	3.00	2.00	2.00	0.00	7.00
Aldourie PS	3.00	1.50	2.00	0.00	6.50
Cannich Bridge PS	2.00	0.50	2.00	2.00	6.50
Muirtown PS	3.00	1.50	2.00	0.00	6.50
Cradlehall PS	3.00	1.00	2.00	0.00	6.00
Duncan Forbes PS	3.00	1.00	2.00	0.00	6.00
Hilton PS	3.00	1.00	2.00	0.00	6.00
Holm PS	3.00	1.00	2.00	0.00	6.00
Raigmore PS	3.00	1.00	2.00	0.00	6.00
Smithton PS	3.00	1.00	2.00	0.00	6.00
St Joseph's PS	3.00	1.00	2.00	0.00	6.00
Tomnacross PS	3.00	1.00	2.00	0.00	6.00
Croy PS	2.00	0.50	2.00	1.00	5.50
Ardersier PS	2.00	1.00	2.00	0.00	5.00
Balloch PS	2.00	1.00	2.00	0.00	5.00
Balnain PS	2.00	1.00	2.00	0.00	5.00
Central PS	2.00	1.00	2.00	0.00	5.00
Kilchuimen PS	2.00	1.00	2.00	0.00	5.00
Glenurquhart PS	2.00	1.00	0.50	1.00	4.50
Kirkhill PS	1.00	1.00	2.00	0.00	4.00
Strathdearn PS	1.00	0.50	2.00	0.00	3.50
BGIN	1.00	0.50	0.50	0.00	2.00
Inverness HS	3.00	2.00	2.00	2.00	9.00
Culloeden Academy	2.00	3.00	2.00	1.00	8.00
Inverness Royal Academ	2.00	3.00	2.00	1.00	8.00
Charleston Academy	2.00	3.00	1.00	1.00	7.00
Kilchuimen Academy	2.00	2.00	2.00	0.00	6.00
Millburn Academy	2.00	3.00	0.00	0.00	5.00
Glenurquhart HS	1.00	1.00	2.00	0.00	4.00