

DUNOON AREA PRIMARY AND PRE 5 PROVISION

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**1. SUMMARY**

- 1.1 This report updates Members on the results of the agreed process for appraising the feasibility of the previously agreed shortlist of options for the Dunoon Area Primary and Pre 5 provision to take to public consultation. In addition, it notes a further option, not previously shortlisted, brought forward after discussion with local Members.

**2. RECOMMENDATION**

- 2.1 It is recommended that the Council:
- 2.1.1 Note the results of the appraisal process for the two previously agreed shortlisted options – Option 6 and Option 7.
  - 2.1.2 Note the addition of a possible further option to accommodate Kirn Primary, St Mun’s Primary and Clyde Cottage in a new build shared campus on the site of the existing St Mun’s PS, Dunoon library, part of the Dolphin Hall grounds and the Rose Garden; with Dunoon Primary School being progressed as a refurbishment, all schools to meet Grade A condition.
  - 2.1.3 Agree with the unanimous views expressed at the Bute and Cowal Business Day to consult on options 7 and 9 as detailed in this report. Extract of Minute of the Bute and Cowal Business Day, 5 November 2013, is attached as appendix 1 hereof.

**3. BACKGROUND**

Dunoon

- 3.1 In 2009, the Council was granted funding, under the Scottish Schools for the Future (SSF) programme for a new shared primary and pre 5 school campus in Dunoon. It was proposed that the new primary school campus would include Dunoon, Kirn and St Mun’s Primary Schools with associated Pre-5 provision, including Clyde Cottage. The bid was based on construction of a new shared primary campus school and pre-school and wrap around care nursery facility.

The school roll and capacity figures for each establishment are:

## Capacity and Roll Figures for sessions 2011/12, 2012/13 and 2013/14

	Capacity (Ryder Report)	Session 2011/12		Session 2012/13		Session 2013/14	
		Roll Census Week (SEEMIS)	Roll Census Week (SEEMIS)	Roll Census Week (SEEMIS)	Roll Census Week (SEEMIS)	Roll Census Week (SEEMIS)	Roll Census Week (SEEMIS)
			Nursery		Nursery		Nursery
Dunoon PS	448	216	20	191	23	192	20
Kirn PS	347	164	26	177	33	199	31
St Mun's PS and Clyde Cottage	240	157	63	148	67	129	65

### School Rolls Session 2013/14 by Stage (September Census)

Stage	Dunoon PS	Kirn PS	St Mun's PS
P1	29	38	23
P2	26	33	22
P3	23	38	17
P4	28	20	14
P5	32	31	13
P6	20	23	22
P7	34	16	18
<b>Total</b>	<b>192</b>	<b>199</b>	<b>129</b>

Further roll projection work is in the process of being compiled.

The original option was that the new facility would be built on the existing site of Kirn Primary School and adjacent playing fields west of the Kirn school site. This would require compensatory provision of sports facilities to be made.

A strategic brief for the new primary school campus was developed to the stage where an application for Planning consent in Principle could be lodged.

#### Options Review

- 3.2 Prior to the lodging of that application, the Council, at its meeting on 28 June 2012, instructed a review to be carried out to establish whether there were other options that may be preferred in regard to the new build, refurbishment, amalgamation or otherwise of the current Dunoon, St Mun's and Kirn Primary Schools and Clyde Cottage Nursery.
- 3.3 Following the Council's decision to review this process in June 2012, GMA/Ryder were commissioned to carry out a review of primary school

buildings in Dunoon and to explore options for the future provision of primary and Pre-5 education. The consultants worked closely with the Council over a number of months appraising the condition of the current school buildings, exploring options and assessing viability in terms of estimated capital and life cycle costs, and anticipated levels of funding that may be received from the Scottish Government.

#### Ryder Report

- 3.4 GMA/Ryder arrived at 8 options. These were narrowed down to 7 to ensure that each option addressed the improvement of all three of the schools.

Option 1 – Remodelling and refurbishment of the three existing schools, Dunoon, Kirn and St Mun’s, to a level where their condition rating will achieve an A classification as defined by Scottish Government Guidance.

Option 2 - Remodelling and refurbishment of the three existing schools, Dunoon, Kirn and St Mun’s, to a level where their condition rating will achieve a B classification as defined by Scottish Government Guidance.

Option 3 - The construction of a new build shared campus and Pre-5 provision to replace Dunoon, Kirn and St Mun’s primary schools, and the Clyde Cottage nursery, on the site of the existing Kirn Primary school and adjacent playing field.

Option 4 - The construction of a new build school (and 40 Pre-5 places currently at Kirn Primary) to replace Dunoon and Kirn on the site of the existing Kirn Primary school and adjacent playing field, with St Mun’s being refurbished. All schools to meet grade A condition and suitability standards.

Option 5 – New school (with 40 Pre-5 places currently at Kirn Primary) to replace Dunoon and Kirn primary schools on the gas works and adjacent roads depot sites, with St Mun’s PS being refurbished. All schools to meet grade A condition and suitability standards.

Option 6 – Formation of a new Kirn PS and nursery on the existing Kirn site by retaining the existing 1881 building and its extension with minimal refurbishment, demolishing the 1950’s extension; formation of a new Dunoon PS at the existing Dunoon primary site by retaining the existing primary facade and constructing a new build school behind. St Mun’s to be refurbished. All schools to meet Grade A condition and suitability standards.

Option 7 - The construction of a new build shared campus and Pre-5 provision to replace Dunoon, Kirn and St Mun’s primary schools, and the Clyde Cottage nursery, on the site of the existing St Mun’s PS, the existing Dunoon library site, part of the Dolphin Hall grounds and the Rose Garden site.

## Shortlisted Options

- 3.5 At its meeting on 23 May 2013, the Council agreed that the methodology for detailed appraisal of options for delivering improved facilities in Dunoon, and as set out in the report to the Council, should be implemented in order to determine the feasibility of the respective options. As part of this process, the Council delegated the detailed arrangements for the public consultation to the Executive Director of Community Services, in consultation with the Lead Councillor for Education and Lifelong Learning, as it was then termed, and local Members.
- 3.6 The options, agreed by the Council, that were to be subject to the detailed appraisal were:

**Option 6** – Formation of a new Kirn PS and nursery on the existing Kirn site by retaining the existing 1881 building and its extension with minimal refurbishment, demolishing the 1950's extension; formation of a new Dunoon PS at the existing Dunoon primary site by retaining the existing primary facade and constructing a new build school behind; St Mun's and Clyde Cottage Nursery to be refurbished. All schools to meet Grade A condition.

**Option 7** - The construction of a new build shared campus and Pre-5 provision to replace Dunoon, Kirn and St Mun's primary schools, and the Clyde Cottage nursery, on the site of the existing St Mun's PS, the existing Dunoon library site, part of the Dolphin Hall grounds and the Rose Garden site.

## Options Appraisal

- 3.7 The appraisal process was conducted in a workshop scenario by officers from different parts of the Council representing, amongst others, Education, Facility Services, Planning, Economic Development, Roads and Legal Services. The officers assessed each option against the pre-agreed criteria and assigned a 'score' in relation to impact, affordability, deliverability and risk. The options ranked in the following order and, in summary, the key features of the scores of each option were:

Ranking	Option	Comments
1.	Option 7 – Campus on St Mun's site	<ul style="list-style-type: none"> <li>Educational benefit - both the new campus and refurbishment considered to be grade A condition, however the new campus, being a new build, considered to gain from a slight benefit with regard to flexibility of design and space, particularly outdoor space, and the range of facilities to be provided as compared to single stand alone primary school.</li> <li>Considered to be most deliverable</li> </ul>

		<p>from a technical and affordability perspective.</p> <ul style="list-style-type: none"> <li>SEPA will not accept a culvert solution. A burn diversion solution has been investigated and accepted in principle by SEPA. Early indications are that this will be a cheaper solution to culverting.</li> </ul>
2.	<p>Option 6 – Existing locations – schools refurbished to meet Grade A for condition and suitability. (Dunoon Primary refurbishment would be only to Grade B for suitability)</p>	<p>Education benefit -both refurbishment and new campus considered to be grade A condition, however each primary school, as a stand-alone school, would not benefit from the range of facilities within the new Campus.</p> <ul style="list-style-type: none"> <li>Dunoon Primary refurbishment would be only to Grade B for suitability given the constraints imposed by the existing listed structure.</li> <li>Higher capital and lifecycle costs and uncertainty in regard to whether funding from Scottish Government will be obtained and, if so, at what level.</li> <li>Historic Scotland will not accept a façade retention only at Dunoon Primary</li> </ul>

It should be noted that discussions have taken place with Historic Scotland (HS) in regard to the listed nature of Dunoon Primary. While HS are supportive of a proposal for refurbishment they have advised that they do not consider that the proposal for the façade retention at Dunoon is acceptable having regard to the listed nature of the building. They have advised that if an option to refurbish Dunoon PS was taken forward it is likely that a substantial part of the building will need to be retained and remodelled.

#### The Funding Position

3.9 The appraisal shows that both options are technically feasible. The Executive Director of Community Services has communicated with the Scottish Government seeking to clarify the requirements for any new applications for funding and the prospects of funding in respect of both options. A copy of the correspondence is attached as appendix 2 hereof.

Option 6 requiring major refurbishment of the existing schools does not currently have funding approval from the Scottish Government (SG).

Option 6 would require a new funding application to be made and the success of such an application and any funding that might be received is not certain. The Government advise that they would need to wait on the outcome of any proposed public consultation before taking any decision on the level of financial support the Council may receive if this option is selected. In addition, the risks inherent in the refurbishment of old buildings can be considerable with the possibility of unexpected and costly construction challenges emerging as works progress.

In the correspondence the Scottish Government indicate that the Council would not be required to submit a fresh funding application to the Scottish Government should the Council decide to progress the construction of a new shared campus and pre-5 provision on the existing St Mun's primary school site in accordance with option 7. The scope of the Council's proposal would remain the same as the original bid and in the view of the Scottish Government it is entirely the Council's decision as to the site selection.

The lack of certainty over funding means that there is currently a funding gap between the two options with option 6 being a more expensive option in terms of capital cost than option 7, having regard to the indicative costings previously prepared by GMA Ryder. These were:

Option 6 - Refurb of the 3 existing schools to condition A  
Capital costs £14.83 million  
Lifecycle Costs £3.61 million

Option 7 – New primary campus on the St Muns Site  
Capital Costs £12.64m (including culvert diversion as indicated in the table at 3.7 above, it is anticipated that the diversion of the Milton Burn may offer a slightly cheaper solution than the culvert, the cost of which is included in this estimated capital cost).  
Lifecycle Costs £2.42 million.

This is before any account is taken in regard to the level of Government support there might be for either option. Irrespective of the scale of the funding gap between the two options, no sums have currently been identified in the Council's budget to meet the cost differential between the two options.

Funding of some £6 million would be anticipated from the Government for option 7. However the level of any Government funding for option 6 is currently indeterminate.

The final cost of any preferred option will only be fully ascertained in the event that more detailed design work is undertaken.

#### New Information

- 3.10 Subsequent to the appraisal process being completed, an additional piece of information has been received that has been reported to local Members at

their business day on 5 November 2013. This relates to Option 5 in the Ryder Report, Gasworks Site/Roads Depot).

#### Option 5 – Gasworks/Roads Depot Site

GMA/Ryder as part of their option appraisal identified a number of other viable sites within the Dunoon area to build the shared campus. One of these was the Gasworks, including roads depot.

GMA Ryder identified the Gasworks/roads depot as the best alternative site. This was based on factors such as Area, Planning Status, Location, Accessibility, Topography, Availability, and Educational Benefit.

The Ryder report indicated that “it is of sufficient size for a 685 pupil school and 100 place nursery but not sufficient to also accommodate playing fields”.

During the shortlisting process, this option was not progressed as being a deliverable option due, at that time, to the non-engagement by the landowners in discussions over a possible land purchase and/or the land valuation itself, and the requirement to place the external sports provision for a shared campus outwith the site.

However, the gasworks site on its own may be of sufficient size to an amalgamation of 2 out of three of the current schools being looked at.

Estates have advised that the Gasworks site is now on the market for sale at a cost of £400k. The site is under the ownership of National Grid. Bute and Cowal Members, at their business day on 5 November 2013, discussed this matter and rejected an option involving the gasworks/roads depot site.

- 3.11 Members did, however discuss the possibility of an option to build a new shared campus for Kirn Primary, St Mun’s Primary and Clyde Cottage on the site of St Mun’s, Library, Rose Garden and part of the Dolphin Hall grounds, with Dunoon Primary School remaining as a refurbishment.

This was on the basis that in regard to such an option:

- The technical feasibility of accommodating Option 7 (Dunoon, Kirn and St Mun’s primary schools with Clyde Cottage) in a new build shared campus) was confirmed through the detailed appraisal process. Therefore, a two school shared campus with Clyde Cottage would be feasible also;
- Such an option would still require a fresh application but would more likely ensure that the Scottish Government, through its SSF programme, would provide the full funding allocation relevant for the provision of 2 schools in a new build shared campus on the St Mun’s site. This would reduce the funding gap and the uncertainty in regard to the funding option of a 3 school refurbishment. The funding position in regard to this new option is being clarified with the Scottish Government; and

- The funding for this option in its entirety and particularly the allocation for a refurbishment of Dunoon Primary would still require to be confirmed with the Scottish Government but the option would be more likely to reduce the funding gap and the uncertainty in regard to the funding option of a 3 school refurbishment. It would also alleviate the issue of the Council requiring to sell or maintain an unoccupied listed building for which there may be little market or current interest. Neither St Mun's nor Kirm primaries are listed buildings.

Following the Bute and Cowal Business day, GMA/Ryder were engaged to prepare indicative costings for the estimated capital and life cycle costs, and anticipated levels of funding that may be received from the Scottish Government for this new option. The costings are included in the table below along with the indicative costs for Option 6 and Option 7 as outlined previously in paragraph 3.9. It should be noted that the Council, at its meeting in February 2012, made provision of £6.5M in its capital allocation for Dunoon Schools.

Option	Estimated Capital Cost	Potential SFT Funding	Potential Council Funding	Estimated Lifecycle costs over 25 years	Comments
<b>New option (Option 9),</b> 2 school shared campus on St Mun's site	£9.69m	£4.07*	£5.62	£1.65m	<b>*SFT funding subject to confirmation</b>
Dunoon primary Refurbished	£6.27m	Unknown*	Up to £6.27m	£1.32m	<b>*SFT funding, if any, subject to confirmation</b>
<b>Total New Option</b>	<b>£15.96m</b>	<b>£4.07*</b>	<b>Up to £11.89m</b>	<b>£2.97m</b>	<b>*SFT funding subject to confirmation</b>
<b>Option 6 – Existing locations – schools refurbished</b>	<b>£14.83m</b>	<b>Unknown*</b>	<b>Up to £14.83m</b>	<b>£3.61m</b>	<b>*SFT funding, if any, subject to confirmation</b>
<b>Option 7 – Campus on St Mun's site</b>	<b>£12.64m</b>	<b>£6.00m</b>	<b>£6.64m</b>	<b>£2.42m</b>	

#### Notes

- Figures provided by GMA Ryder and all prices are at 4Q 2012 levels and would be subject to inflation;



- With the exception of option 7 the level of Government/SFT funding is uncertain; and
- The degree of uncertainty surrounding the availability of Government/SFT funding is greatest relative to the refurbishment projects. The likely funding for such work ranges from Nil to a maximum of some 2/3 of the corresponding 50% new build contribution. (Source GMA Ryder report, based on their discussions with SFT).

### Next Steps

- 3.12 Members may now wish to consider which of the options they wish to take forward for public consultation in light of the detailed appraisal of Option 6 and Option 7, and the subsequent discussion undertaken by local Members at the Bute and Cowal business day on 5 November 2013 that proposed an option for a new school campus for Kirn Primary and St Mun's Primary with Clyde Cottage on the site of St Mun's, with Dunoon Primary remaining as a refurbishment (now referred to as Option 9). It should be noted that until such time as the matter of funding has been established by the Council with the Scottish Government in regard to both option 6 (refurbishment of all schools) and the new option (2 School Shared Campus on St Mun's site and Dunoon Primary Refurbished) the funding for these options is not certain nor guaranteed.
- 3.13 It is intended that the options, agreed by the Council, will be taken forward for public consultation. This would be in accordance with the framework previously agreed by the Executive Director of Community Services in consultation with the Lead Councillor for Education and Lifelong Learning, as termed then. In the event that these options are taken to consultation it is recommended that the consultation should, against the agreed consultation framework, take the form of:
- a presentation of all options from long list to shortlist;
  - a presentation on the appraisal process of the shortlisted options; and
  - an opportunity for the public to make comment on the process and the options.
- 3.14 As reported previously, the Scottish Government and the Scottish Futures Trust have indicated that the bundling of multiple projects through Hubco North will provide economies of scale and cost efficiencies. The schools projects in Argyll and Bute may be linked together or with other Hubco North projects. The Scottish Government has also indicated that these projects require to be completed and operational by March 2018. Any further delay in agreeing the options to be taken to public consultation present a risk that the overall programme end date of March 2018 would not be met.
- 3.15 To progress the public consultation exercise as soon and as prudently as possible, it is intended that the consultation would take place between January and February 2014. The consultation process would mirror that

undertaken for the Campbeltown and Oban site selections. The public consultation would encompass the following activities within the indicative timings:

<b>Milestone</b>	<b>Indicative Timing</b>
Council consideration of options to take to public consultation	November 2013
Press advert	Friday 10 January 2014
Press advert and feature	Friday 17 January
Leaflets distributed (bag drop to all pre-5 and primary pupils)	Friday 17 January
Council Website information, including a direct e-mail address, and link to submit preferred view and comment.  School websites to include link to Council website.	Information available through council and school websites as from Monday 20 January and throughout the consultation period.
Public Consultation period	Monday 20 January - Sunday 9 February (3 weeks)
Consultation commences with launch event in Queen's Hall, Dunoon	Monday 20 January, 7pm – 9pm
Open days at the Queen's Hall	Thursday 23 January (10am – 8pm); Friday 24 January – (10am – 4pm); Saturday 25 January (10am – 1pm)
Focus group meeting, Queen's Hall	Friday 24 January –Time tbc.
Reminder tweets during consultation period	January/February
Closing date reminder tweet	Friday 7 February
Consultation period closes	Sunday 9 February
Collation of consultation results	From Monday 10 February
Report to Council with preferred options	At earliest opportunity
Outcome press announcement	To follow Council meeting

#### The existing schools

- 3.16 It should be noted that the condition of the existing Dunoon and Kirn Primary School buildings continue to deteriorate. It is likely that increasing expenditure will be necessary at each location to ensure that the buildings are kept safe

and at least wind and weather tight until new or improved schools come on stream. Currently significant work is being undertaken to allow the Gymnasium at Dunoon Primary to be re-opened following structural concerns. In addition one wing of the school has been put out of use, again following structural concerns.

#### **4. CONCLUSION**

- 4.1 The Council made decisions on 23 May 2013, in respect of the improved provision of primary and pre 5 provision in the Dunoon area, and that the agreed appraisal methodology should be implemented for the identification of preferred options and sites for public consultation.
- 4.2 The detailed appraisal process has been completed for the two previously shortlisted options. In regard to option 6 for the refurbishment of the three schools, the grant of funding and any level at which it might be granted cannot be guaranteed. This may be considered as a material and significant risk of the future feasibility and deliverability of option 6. Through additional information becoming available during the option appraisal process, a further option, option 9, has been identified by local members at the Bute and Cowal business meeting on 5 November. Members may now wish to consider and agree which of the options they wish to take forward for public consultation.
- 4.3 It is intended that the options agreed by the Council be taken forward for public consultation. This would be in accordance with the framework previously agreed by the Executive Director of Community Services in consultation with the Lead Councillor for Education and Lifelong Learning, as it was then termed, and local Members through the Bute and Cowal Area Committee on 23 May 2013. It is intended that the consultation period for the options agreed by the Council, as identified above, will take place during January/February 2014. The Scottish Government has also indicated that these projects require to be completed and operational by March 2018. Any further delay to agreeing the options to be taken to public consultation present a risk that the overall programme end date of March 2018 would not be met.

#### **5. IMPLICATIONS**

5.1	Policy	Provision of the improved school facilities in Dunoon is in accordance with previous Council decisions
5.2	Financial	
5.3	Legal	None at present
5.4	HR	None at present
5.5	Equalities	None at present
5.6	Risk	The Risks of the previously agreed shortlisted options in terms of their feasibility and deliverability has been examined as part of the appraisal process. In regard to option 6 at Dunoon, the grant of funding and any level

		<p>at which it might be granted cannot be guaranteed. This may be considered as a material and significant risk of the future feasibility and deliverability of option 6.</p> <p>Up until the time that new or improved Dunoon schools come on stream, continued and possibly increasing expenditure will be needed to keep the 3 existing schools safe and operational.</p> <p>The Scottish Government has indicated that these projects require to be completed and operational by March 2018. Any further delay in agreeing the options to be taken to public consultation present a risk that the overall programme end date of March 2018 would not be met.</p>
5.7	Customer Service	None at present

Cleland Sneddon  
 Executive Director of Community Services  
 Argyll and Bute Council  
 12 November 2013  
 For further information contact: Cleland Sneddon, Tel 01546 604256

## **Appendix 1**

Extract of the Minute from the Bute and Cowal Business Day held on Tuesday 5 November 2013.

### **ITEM 6 - DUNOON PRE 5 AND PRIMARY PROVISION**

A report updating Members on the results of the agreed process for appraising the feasibility of the previously agreed shortlist of options for the Dunoon Primary and Pre 5 provision to take to public consultation was considered.

In addition, the report identifies a change to the availability of land acquisition for a site previously not shortlisted.

#### **Outcome**

1. Members noted the results of the appraisal process for the two previously agreed shortlisted options – Option 6 and Option 7;
2. Members noted the change to Option 5, with this site now being available on the market for sale;
3. Members agreed not to pursue with the gas works site; and
4. Members agreed that the shortlist options that are to be taken to public consultation are;
  - (a) Option 7 as identified in the submitted report;
  - (b) The provision of a new, two school shared campus on the existing St Mun's site, with refurbishment and remodelling of Dunoon Primary School to be carried out; and
  - (c) Further asked that officers prepare a report for consideration at the Council meeting due to be held on 28<sup>th</sup> November 2013 to this effect.

(Ref: Report by the Executive Director of Community Services dated 25 October 2013, submitted).

## Appendix 2

**Argyll and Bute Council**  
Comhairle Earra Ghàidheal agus Bhòid



**Community Services**  
Executive Director: Cleland Sneddon

Jonathan Moore  
Head of Schools Infrastructure  
Learning Directorate  
SCOTTISH GOVERNMENT  
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Ask For: Mr Cleland Sneddon  
Our Ref:  
Your Ref: CS/JL  
Date: 04 July 2013

Dear Jonathan,

### **SCOTTISH SCHOOLS FOR THE FUTURE - IMPROVED DUNOON AREA PRIMARY SCHOOL AND PRE 5 PROVISION**

In 2010 Argyll and Bute Council was granted funding, under the Scottish Schools for the Future (SSF) programme for a new shared primary and pre 5 school campus in Dunoon. It was proposed that the new primary school campus would include Dunoon, Kirn and St Mun's Primary Schools with associated Pre-5 provision. The bid was based on construction of a new shared primary campus school and pre-school and wrap around care nursery facility.

The Council's bid anticipated that the new facility would be built on the site of the existing Kirn Primary School and adjacent playing fields west of the Kirn school site. This would require compensatory provision of sports facilities to be made.

A strategic brief for the new primary school campus was developed to the stage where an application for Planning Consent in Principle could be lodged.

Given a significant level of public opposition around the time of the local government elections, prior to lodging that application the Council, at its meeting on 28 June 2012, instructed that a review should be carried out to establish whether there were other options that may be preferred in regard to the new build, refurbishment, amalgamation or otherwise of the current Dunoon, St Mun's and Kirn Primary Schools and Clyde Cottage Nursery.

Following the Council's decision to review this process in June 2012, GMA/Ryder were commissioned to carry out a review of the primary school buildings in Dunoon and to explore options for the future provision of primary and Pre-5 education in the town. The consultants worked closely with the Council over a number of months appraising the condition of the current school buildings, exploring options and assessing viability in



terms of estimated capital and life cycle costs, and anticipated levels of funding that may be received from the Scottish Government.

GMA/Ryder arrived at 7 options with each option addressing the improvement of all three of the schools. From this list the Council chose two options which would be subject to detailed appraisal of impact, affordability and deliverability and would, subsequently, be taken to public consultation.

The two options selected were:

1. Dunoon Primary and Kirn Primary schools to be substantially rebuilt on their existing sites with St Mun's Primary School and the Clyde Cottage Nursery being refurbished. All of the schools would meet Grade A condition and suitability standards
2. The construction of a new shared campus and pre-5 provision accommodating the Dunoon, Kirn and St Mun's primary schools, and the Clyde Cottage nursery, on the site of the existing St Mun's Primary School, the existing Dunoon library site, part of the Dolphin Hall grounds and the Rose Garden site

Part of GMA/Ryder's remit in the review was to discuss with the Scottish Futures Trust (SFT) the impact of each of the options on the funding allocation previously made by the Scottish Government in respect of the original proposed facility at the Kirn site. We understand that such discussions did take place and that the second option above, there would be no requirement for a fresh funding application to the Scottish Government as the scope of the proposal would remain as per the Council's original bid.

In respect of the option for new build / refurbishment of the schools on their existing sites the SFT advised GMA/Ryder that a new funding application under the SSF would be required as the nature of the project would have changed materially from the original proposal.

In advance to taking either or both of these proposals to public consultation we are keen to establish how feasible each option will be. Part of that process involves identifying the likely impact that each option may have on the Scottish Government funding allocation.

In particular, I would be grateful if you could advise the Scottish Government's likely position in respect of two specific areas:

- Please could you confirm that the previous advice received by the Council, that a combined school on the St Mun's site would not require a new funding application, is correct; and
- If the Council determine, after consultation, that it wishes to pursue the proposal for the schools to remain on their current sites, whether the Government would be supportive of such an application and would be likely to financially support the proposal to the equivalent level as the single site

solution. Please could you also advise as to the process the Council should follow in order to submit a new funding application in respect of this option if it is determined that this should be pursued.

The Council have requested that a report be prepared by the middle of August updating them on the feasibility position of the two options prior to taking them out for public consultation. I would be grateful if you could provide advice in respect of the two points above in advance of that point in order that the Scottish Government's views can be reflected in the report to the Council.

The Council is keen to deliver improved education facilities to the communities of the Dunoon area, to support the aims of the Scottish Schools for the Future programme, and is working to identify a viable option that has the support of the local community. The funding allocation made previously was to provide support from the Scottish Government to allow the Council to provide improved school facilities for all of the pupils of the affected schools. The Council considers that consideration of both of the options above would allow the Council, and local people, flexibility in deciding how the Government's aim is achieved.

The views of the Scottish Government on the two options will greatly contribute to providing clarity as to their deliverability. Thank you for your assistance and please feel free to give me a call to discuss this matter further.

Yours sincerely



**Cleland Sneddon**  
**Executive Director of Community Services**



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**SCOTLAND'S SCHOOLS FOR THE FUTURE**  
Inspiring learning, creating culture



24 July 2013

Dear Cleland

**SCOTLAND'S SCHOOLS FOR THE FUTURE – IMPROVED DUNOON AREA PRIMARY SCHOOL AND PRE 5 PROVISION**

Thank you for your letter to Jonathan Moore of 4 July 2013 regarding the above.

May I first of all say that I am pleased that progress is being made in delivery of improving the primary/pre-5 provision in Dunoon and that Argyll and Bute Council now have two viable options to pursue through public consultation.

In addressing your first point, I am happy to confirm that the advice you received from Scottish Futures Trust is correct. The Council would not be required to submit a fresh funding application to Government should the Council decide to progress the construction of a new shared campus and pre-5 provision on the existing St Mun's primary school. The scope of the Council's proposal would remain the same as the original bid and in our view it is entirely the Council's decision as to the site selection.

As I am sure you will be aware, many of the projects receiving financial support through Scotland's Schools for the Future (SSF) Programme is predicated on the successful outcome of any statutory consultation.

The Council's other option, to substantially rebuild Dunoon and Kim primary schools on their existing sites and refurbish St Mun's primary and Clyde Cottage nursery, represents a material change to the original proposal. The Government, in this instance, would need to wait on the outcome of the public consultation before taking any decision on the level of financial support the Council may receive. The Council's original proposal was approved on the basis that it was 3 schools into 1 and that it would be revenue funded, jointly procured with the new Campbeltown Grammar project. The option of new build/refurbishment of the schools on their existing sites would result in 3 separate school projects and it would have been unlikely that Government would have supported all 3 projects at the outset of the SSF

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Programme. The new build/refurbishment proposal will most likely require to be capital funded and following the announcement of Phase 3 of the SSF Programme in September 2012 the Programme capital budget is fully committed. If capital funding is required, which you may wish to discuss further with colleagues from SFT, the Scottish Government would be unable to support this.

However should the people of Dunoon decide that the option of new build/refurbishment of the schools on their existing sites is the way forward, the Government would seek to maintain a commitment to the Council in providing financial support under the SSF Programme. There is however, at this time, no specific allocation attached to such a commitment and any alternative proposal would have to be discussed further with Ministers and meet the objectives of the SSF Programme. You should also note that the SSF Programme ends on 31 March 2018 and all schools should be complete and open by this date.

Yours sincerely,



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