
Report To:	Education & Communities Committee	Date: 23 January 2018
Report By:	Corporate Director Education, Communities & Organisational Development and Head of Finance	Report No: EDUCOM/31/18/EM
Contact Officer:	Eddie Montgomery	Contact No: 01475 712472
Subject:	Review of School Estate Funding Model	

1.0 PURPOSE

- 1.1 The purpose of the report is to update the Committee on the current position of the School Estate Funding Model and seek approval of the revised model.

2.0 SUMMARY

- 2.1 The Education and Lifelong Learning Committee at its meeting of 18 June 2008 approved a revision of the School Estate Management Plan (SEMP). One of the recommendations of that report was that the Plan and Funding Model would be reviewed annually and reported to Committee.

- 2.2 The last review of the School Estate Funding Model was reported to and approved by the November 2016 Education and Communities Committee. The following progress has been made since that review:

- The new build St Patrick Primary School was completed and became operational in late November 2016.
- Bluebird Family Centre refurbishment commenced on site in January 2017 and was completed in September 2017 (operational as of October 2017).
- The refurbishment of Moorfoot Primary School commenced on site in April 2017 to complete Easter 2018.
- The refurbishment and extension of Lady Alice Primary School commenced on site in June 2017 to complete May 2018.
- The new build St Ninian's Primary School commenced on site in June 2017 to complete June 2018.
- The new build Glenpark Early Learning Centre commenced on site in August 2017 to complete May 2018.
- The refurbishment and conversion of the former Aberfoyle Road offices for Glenbrae Children's Centre commenced on site in October 2017 to complete May 2018.

Further detail of current project work is included in the Capital Report also being presented to this Committee.

- 2.3 This report summarises the internal and external factors which affect the Plan and outlines the methodology used to review the financial model. A revised model is attached as Appendices 1(a)-(c).

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- 2.4 Overall the SEMP remains affordable with a financial completion of 2022/23 and with all major projects completed by 2020. The overall position has not altered from the previous review.

3.0 RECOMMENDATIONS

- 3.1 That the Committee approves the revised Funding Model and the associated changes/revisions highlighted in sections 4.0 and 5.0.
- 3.2 That the Committee notes that financial implications of the revised model will be built into the Council's revised Financial Strategy due to be presented to the Council in June.

Wilma Bain
Corporate Director Education,
Communities &
Organisational Development

Alan Puckrin
Chief Financial Officer

4.0 REVIEW OF THE MODEL – EXTERNAL FACTORS

4.1 Inflation

Previous reviews of the funding model have taken account of the changing market position in respect of tender prices based on the forecasts provided through the Building Cost Information Service (BCIS) of the Royal Institution of Chartered Surveyors (RICS).

Following the report to the January 2016 Education and Communities Committee on the acceleration of the remaining projects within the School Estate Management Plan and works required across the Early Years Estate which was subsequently remitted to the 2016 budget setting process, the budget set on 10th March 2016 confirmed funding and support for accelerated proposals which will see the programme completed by 2020.

The current status of the capital programme with the significant number of major projects currently under construction, leaving only two major projects which will be subject to a future competitive tender process (St Mary's PS and Gourrock PS). Both the St Mary's Refurbishment and Extension and the Gourrock Primary School Extension projects have been progressed to a stage where cost estimates have been provided including allowances for forecast inflation to the relevant tender periods. As such, there is no requirement to further adjust the current model for major project construction inflation.

4.2 Capital Receipts

As part of the Financial Strategy, the Council agreed that all SEMP receipts would be put in the Capital Fund and the SEMP would receive £9.025 m of Prudential Borrowing to compensate. As a result the amount and timing of capital receipts are not a factor in the SEMP Funding model. The current model remains unchanged from this position.

4.3 Scottish Government - Scotland's Schools for the Future Programme (SSFF)

Previous reviews of the model included the following amounts in respect of projected project specific grant income:

- £5.014 million in connection with the Scotland's Schools for the Future Phase 2 grant award for Craigmarloch School within the new Port Glasgow Community Campus.
- £3.423 million in connection with the Scotland's Schools for the Future Phase 3 grant award for St Patrick's Primary School.
- £2.135 million in connection with the Scotland's Schools for the Future Phase 4 grant award for Kilmacolm Primary School.

The current model is unchanged from the above position.

4.4 Scottish Government – Free School Meals Grant

The Scottish Government allocated limited capital funding in connection with providing free school meals to every Primary 1-3 pupil which came into effect on 5th January 2015. Inverclyde's capital allocation of £60K was received in 2015/16 and included in the 2015 model. The current model remains unchanged from this position.

4.5 Scottish Government – Children and Young People Act / Early Learning & Childcare

The Scottish Government allocated Capital funding in connection with the implementation of the Children and Young People (Scotland) Act 2014 and the commitment to a minimum provision of early learning and childcare. The 2015 model included £2.056 million in respect of capital grant received for 2014/15 and 2015/16.

Further funding has been received in respect of the Scottish Government proposals to

increase the level of entitlement to free Early Learning and Childcare to 1140 hours per year by 2020. The current model has been adjusted for the £384K capital allocation in 2017/18 however future years funding allocations for Inverclyde have yet to be confirmed. An update on this work stream is included in the Capital Programme Progress report to this Committee.

4.6 Scottish Government Capital Grant

The October 2013 review identified that continuing low interest rates allowed the Chief Financial Officer to reduce the cost of Loan Charges charged to the SEMP by approximately £450,000 per year from 2014/15 and thus freeing up resources for Prudential Borrowing. This allowed a £500k annual reduction in the £4.8 million capital allocation within the model to £4.3 million a year from financial year 2015/16. A further review based on the acceleration of the programme saw further material reductions in the grant allocated from 2020/21 and these are reflected in Appendix 1a. This was however replaced by increased Prudential Borrowing over 2016/19.

5.0 REVIEW OF THE MODEL – INTERNAL FACTORS

5.1 Overview

There have been a number of changes since the last review. Changes are categorised as:

- reviewing / adjusting existing information to reflect changes in circumstances and additional information becoming available.
- updating for additional expenditure and/or changes to the scope of current / recently completed projects.
- updating for cost estimate / projections for projects in the development stage.

These adjustment headings are described in more detail below.

5.2 General Updating of Model

The Capital model has been brought up to date to reflect actual expenditure over the past year (2016/17).

5.3 Current Committed Project Cost Plan Adjustments

There have been a number of changes affecting cost plans for current / recently completed projects which have been reported to Committee over the course of the year:

Current / Completed Projects

- Glenpark Early Learning Centre – June 2017 Committee approved the reallocation of contingency to address the revised cost estimate for the project.
- St Mary's PS Refurbishment & Extension – October 2017 Committee approved the change to the scope of the works and reallocation of Capital Programme contingency and lifecycle funding to address the revised cost estimate for the project.

It should be noted that, as with all construction contracts, there remains a risk of cost increases until project completion is achieved and/or final account negotiations are concluded.

5.4 Review of One-Off Costs

Appendix 1(b) shows the one-off revenue costs associated with the SEMP. Generally these are the costs associated with decanting schools to temporary accommodation and transfer to their new or refurbished school i.e. pupil transport to decant schools and the cost of maintaining and securing empty buildings. Schools also accumulate significant amounts of unwanted resources and the cost of disposing of these is included in the one-off revenue costs.

A review of the one-off costs has been carried out to update for the current major project construction phase programmes. There have also been some changes as noted below to reflect developments in connection with the approach to major projects and other one-off items:

- Early Years Establishment Refurbishment / New Build – allowances reviewed for current phasing.
- Additional Transport Costs – allowance added for additional transport costs associated with maintaining free transport for pupils at three schools up to August 2020.
- Gourrock PS – allowance for temporary modular accommodation to allow access to areas of the building whilst operational and facilitate the works.
- Quality Improvement Officer (School Estate) – allowance for extending the period of funding / involvement to July 2018 to align with projected major project delivery / handover dates.
- PPP Contract Review – Allowance for one-off costs in connection with savings exercise.

5.5 Review of Savings

The available savings were reviewed against the 2016/17 actual expenditure and latest projected expenditure for 2017/18. The current model remains unchanged from this review. As noted in previous reviews there are no further operational savings projected until the decant facility at the former Sacred Heart Primary School is scheduled to be partially demolished in 2019/20.

The Committee is advised that a review of potential savings in the PPP contract has been undertaken and, following approval by the Policy & Strategy Committee, the identified opportunities are being progressed by officers and their advisors. The resultant projected saving is being reported as part of the current budget savings exercise and will be incorporated into the revised model.

5.6 Loan Charges

The 2016 model reflected the increase in loans charges required to accelerate the Primary Schools programme plus the investment in Early Years. This increased the loans charge by £910,000 by 2021. These allowances hold true for this year's review.

6.0 **IMPLICATIONS**

Finance

6.1 Summary

The model remains affordable. The earmarked reserve summary (Appendix 1(c)) shows there is a positive balance carried forward each year with a maximum balance of £2.796 million in 2017/18 and a minimum balance of £531K in 2020/21.

6.2 Capital Costs and Grant Funding

There has been some change in projected capital costs of the projects on site and in

development outlined in 5.3 above. This however has been managed by the reallocation of resources within the existing model allowances.

It should be noted however that there remains a risk that projects could be delayed either pre-tender or on site and project over runs could impact the timelines for the remaining projects.

6.3 Cashflow

Both the capital and overall models need to be in surplus for the Council to claim the SEMP is financially deliverable. The current model shows this to be the case within the previously reported timescales.

6.4 Financial Risks

The School Estate Management Plan has progressed to a stage where the planned rationalisation of the estate is complete with a small number of major projects yet to be taken forward to address the remaining assets requiring significant investment. The financial risks associated with completion of the project are summarised below;

- Out-turn Construction Costs - Risk (as with all construction projects) that final costs will exceed project budgets, particularly in refurbishment projects.
- Tender Price Inflation - Risk of future tender prices rising faster than industry forecasts / model allowances (now lower risk as outlined in 4.1).
- Project delays/over-runs – The risk that the timelines assumed in the model are impacted with potential knock-on inflation impact for future projects.
- Legislation - The risk of future changes in legislation e.g. building standards.
- Capital Grant - Future reduction in the government capital grant remains a risk to the programme.

Legal

6.5 There are no legal issues.

Human Resources

6.6 There are no human resources issues.

Equalities

6.7 Has an Equality Impact Assessment been carried out?

	YES (see attached appendix)
X	NO - This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy. Therefore, no Equality Impact Assessment is required. See below.

Individual projects consider DDA issues as part of the development of the detailed designs and Building Standards approval (where required). There are no equalities issues.

Repopulation

6.8 The School Estate Strategy has been and continues to be one of the Council's key areas of investment in support of the aim of repopulating and promoting Inverclyde as the place

of choice to live, work and spend leisure time. The significant investment in the School Estate is not only a catalyst for regeneration but also contributes towards improving Inverclyde for the people who live here and assists in attracting people to relocate and settle here, knowing their children will receive a first class education in the best possible school accommodation.

7.0 CONSULTATION

- 7.1 There are no direct staffing implications in respect of the report and as such the Head of Organisational Development, HR and Communications has not been consulted.
- 7.2 There are no legal issues arising from the content of this report and as such the Head of Legal and Property Services has not been consulted.

8.0 LIST OF BACKGROUND PAPERS

- 8.1 Project Cost Plans
 - Cashflows (Capital & Revenue)
 - Calculation of Maintenance Costs
 - Sports Pitch Lifecycle Model
 - School Estate Management Plan Risk Register (Revision 25 May 2017)

School Estate Funding Model - December 2017

Sources of Funding	Start Date	Completion Date	Total Base Date	Total	05/06	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	
					Scottish Government Funding - SSFF												3,501	1,513		4,344	1,215									
Scottish Government Funding - C&YP														1,039																
Scottish Government Funding - Free School Meals Capital Programme									4,808	4,800	4,800	4,800	4,800	4,800	4,300	4,300	4,300	4,300	4,300	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,500	3,500	3,600	
Free Reserves - Greenock Academy Demolition Accelerated model (2020)- CFCR contribution														420																
Energy Efficiency Fund - Ardgowan Primary School															27	1,000														
Capital Funding (Non SEMP) MUGA														497																
Education Revenue - St Stephen's HS Demolition																														
Prudential Funding - Receipts			11,060				2,035					5,700	3,325																	
Prudential Funding - Projects									923	803	3,337	15,572	9,224	1,767	500															
Prudential Funding - Projects (2020 model)											142	1,648	656	57		4,500	6,500	4,800												
Prudential Funding - Lomond View Academy													5,000	(300)																
Prudential Funding - Alternative Model																														
Virement to Inverkip Community Centre																														
Overspend funded from following year								951	6,169																					
Underspend transferred to previous year																														
Total funding available					-	-	2,035	951	11,900	5,603	8,279	31,221	24,218	8,580	10,751	11,015	11,184	9,100	4,300	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,500	3,500	3,600	
Less: Capital programme not listed below				8,135					3,719	477	417	1,194	1,380	444	504	469	43	342												
Balance available for other projects					-	-	2,035	951	8,181	5,126	7,862	30,027	22,838	8,136	10,247	10,546	11,141	8,758	4,300	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,500	3,500	3,600	
Proposed spend																														
Inverclyde Academy 3G Pitch	Oct-09	Feb-10	454	454					454																					
Mearn Centre Interim Refurbishment	Jan-10	Aug-10	139	139					29	110	Incl.																			
Kings Glen Decant School Refurbishment	Jun-08	Aug-10	40	40			20			20																				
Various Road Improvement Works	Varies	Apr-13	286	286					7	3	61	133	Incl.																	
PPP Interactive Boards/LCD Screens	Varies	May-11	502	502					132	7	363																			
St Columba's HS (Refurbish Gourack HS)	Jan-12	Aug-13	14,667	15,207					13	536	1,038	7,461	5,619	Incl.																
St Andrew's PS (Refurbish Earnhill)	Aug-10	Oct-11	4,314	4,314			10		180	1,730	2,394	Incl.																		
Whinhill PS (Overton/Highlanders)	Oct-10	Aug-12	5,089	5,658					204	289	2,950	1,633	Incl.																	
Port Glasgow Community Campus	Oct-11	Dec-13	29,954	29,954					54	774	3,324	15,556	8,831	762	12	Incl.														
Lomond View Academy (Refurbish St Laurence's)	Jul-12	Jul-13	2,503	2,503							142	1,648	656	26																
Inverkip PS Refurbishment	Jul-11	Oct-12	595	595							362	195	Incl.																	
Craigmarloch School	Oct-11	Dec-13	10,628	10,628						259	725	5,759	3,734	Incl.																
Sacred Heart Decant School Upgrade	Sep-12	Jan-14	500	500							14	106	375	Incl.																
Early Learning & Childcare 1140hrs expansion	Apr-17	Mar-18	384	384													384													
Bluebird Family Centre Refurbishment	Jan-17	Sep-17	1,300	1,300												187	953	160												
Glenpark Early Learning Centre New Build	Aug-17	May-18	3,355	3,355												89	2,326	800	140											
Glenbrae Children's Centre (Aberfoyle Rd)	Oct-17	May-18	1,137	1,137												32	725	380												
Hillend Children's Centre Refurbishment	tb	tb	1,031	1,031													36	760	235											
Larkfield Children's Centre Upgrade	tb	tb	350	350														350												
Ardgowan PS Refurbishment	Apr-14	Aug-15	6,203	6,365								97	464	4,817	975	Incl.														
St Patrick's PS Refurbishment	Aug-15	Nov-16	7,012	7,012										123	2,953	3,912	Incl.													
St Francis PS External Works	Jun-15	Aug-15	240	240										11	215	Incl.														
Moorfoot PS Refurbishment	Apr-17	Apr-18	4,647	5,047												312	3,102	1,510	123											
St John's PS Refurbishment	Dec-14	Sep-15	2,796	2,946									38	831	1,695	Incl.														
St Mary's PS Refurbishment	tb	tb	3,722	6,051																										
Lady Alice PS Refurbishment	Jun-17	May-18	2,450	3,756												221	2,058	1,477												
Kilmacolm PS Refurbishment	Oct-15	Sep-16	4,435	4,435									56	1,520	2,884	Incl.														
St Ninian's PS Refurbishment	Jun-17	Oct-18	9,280	9,180												232	6,549	2,291	108											
Gourock PS Extension	tb	tb	1,149	1,704													65	767	829	43										
Demolition of Ravenscraig PS	Feb-10	Mar-10	37	37					11	26	Incl.																			
Demolition of Greenock Academy	Jan-15	Aug-15	746	746							71			570	123	Incl.														
Demolition of St Gabriel's PS	Feb-12	Mar-12	61	61							28	33																		
Demolition of Kings Glen	Oct-12	Dec-12	82	82								82	Incl.																	
Demolition of St Stephen's HS	May-18	Aug-18	500	500									3	497																
Demolition of Lilybank	Jul-14	Oct-14	96	96									3	93																
Demolition of Sacred Heart PS	Dec-19	Mar-20	180	266																										
General allowance for unforeseen works	-	-	1,116	971			921												50											
Prudential Funding - Capital Project Contributions	-	-	1,140	Incl.									393	Incl.	Incl.															
Lifecycle Fund - Sports Pitches	-	-	1,898	1,227																	363	119	308	85	-	738	-	-	220	
Lifecycle Fund	-	-	22,467	32,009										378	336	400	749	1,217	1,773	1,836	1,934	1,900	2,102	2,787	2,917	3,099	3,290	3,490	3,802	
Total proposed spend			147,486	161,069				951	1,084	3,754	11,472	32,703	20,116	8,164	7,829	8,269														

School Estate Funding Model - December 2017 - One Off Revenue Costs

Sources of Funding/Proposed Spend	Start Date / Timeline	Completion Date	Total	Total Inc Inflation	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
Clune Park Closure	Apr-08	-	17	17	17																					
St Columba's (Refurb Gourrock HS) + Transport	Nov-11	Aug-16	601	832	39	190	87	87	87	233	146		220	246	246	246	82									
PPP New Aileymill Primary School	Feb-10	Feb-10	46	49		49																				
PPP New All Saint's Primary School	Feb-10	Feb-10	46	49		49																				
Notre Dame to Wellington	Jun-09	Jun-09	105	111		111																				
St Andrew's Primary School (Refurb Earnhill)	Aug-10	Oct-11	70	79		17		62																		
PPP New Notre Dame High School	May-11	May-11	75	84				84																		
PPP New Clydeview Academy	May-11	May-11	120	135				135																		
Overton/Highlanders Refurbishment	Apr-11	Aug-12	359	370			159	164	47																	
Port Glasgow Community Campus	Oct-11	Dec-13	872	972			125	567	30	250																
Lomond View Academy (Refurb St Laurences)	Jul-12	Jul-13	35	42					42																	
Inverkip Primary School Refurbishment/Extn.	Jun-11	Aug-12	20	23				11	11																	
ASN School - New Build	Oct-11	Dec-13	85	101						101																
Early Years Establishments Refurbishments	Apr-17	Mar-20	65	67									18	21	22	6										
Ardgowan Primary School Refurbishment	Apr-14	Aug-15	376	517						203	226	88														
St Patrick's Primary School Refurbishment	Aug-15	Nov-16	403	447								253	194													
Moorfoot Primary School Refurbishment	Feb-17	Apr-18	466	517									238	229	50											
St John's Primary School Refurbishment	Dec-14	Sep-15	608	661							373	288														
St Mary's Primary School Refurbishment	Jul-18	Jul-19	295	361											249	112										
Lady Alice Primary School Refurbishment	Feb-17	May-18	741	794									138	445	155											
Kilmacolm Primary School Refurbishment	Oct-15	Oct-16	447	792								350	442													
St Ninian's Primary School Refurbishment	Apr-18	Jun-19	45	68											68											
Gourock Primary School - Refurbishment	tbc	tbc	205	213											174	39										
Sacred Heart Mothball/Security	Varies	-	182	184				51	67	16	14	10	6		9	9										
Highlanders Decant Upgrade	-	-	-	-						150																
St Stephen's HS Decant Upgrade	Apr-14	Mar-15		75							75															
Additional Revenue maintenance costs	Annual	-		5,191		313	360	49	224	116	230	263	196	238	227	221	230	239	249	258	268	279	289	300	314	326
Additional Partial Refurbishment Works	Apr-12	Mar-14	500	500					250	250																
ICT Technician Support for SEMP	Apr-13	Mar-14	27	27						27																
QIO School Estate Extended Period Support	Apr-16	Jul-18	150	175									75	75	25											
PPP Contract Review				150										150												
Contingency	Annual	-	100	100								100	0													
Energy Performance Certificates	10 Year Cycle	-	200	100												100										
Condition Survey	5 Year Cycle	-	300	440		100				80	40				100					120						
Total proposed spend			7,560	14,241	56	828	731	1,210	758	1,427	1,104	1,352	1,528	1,404	1,324	733	312	239	249	378	268	279	289	300	314	326

January 2018 SEMP Model Review

Jan 17 RPI

Appendix 1(c)

School Estate - Earmarked Reserves

	<u>2017/18</u>	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>	<u>2021/22</u>	<u>2022/23</u>	<u>2023/24</u>	<u>2024/25</u>	<u>2025/26</u>	<u>2026/27</u>	<u>2027/28</u>	<u>2028/29</u>	<u>2029/30</u>
	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>
Earmarked Reserve b/fwd	3,511	2,796	1,638	940	531	746	898	912	1,025	1,117	1,187	1,234	1,254
Available Savings added (a)	4,682	4,682	4,682	4,682	4,682	4,682	4,682	4,682	4,682	4,682	4,682	4,682	4,682
Extra Financing (b)	3,145	2,845	2,845	2,845	3,495	3,495	3,495	3,495	3,495	3,495	3,495	3,495	3,495
Prudential Schools Loan Charges (c)	-4,293	-4,728	-4,832	-4,978	-5,077	-5,130	-5,139	-5,150	-5,160	-5,172	-5,184	-5,197	-5,211
Unitary Charge Payment (d)	-8,942	-8,742	-8,742	-8,742	-8,742	-8,742	-8,742	-8,742	-8,742	-8,742	-8,742	-8,742	-8,742
Unitary Charge Inflation Element (e)	-750	-1,109	-1,374	-1,646	-1,926	-2,213	-2,508	-2,811	-3,121	-3,440	-3,768	-4,104	-4,449
Unitary Charge Funding from Inflation Contingency	750	1,109	1,374	1,646	1,926	2,213	2,508	2,811	3,121	3,440	3,768	4,104	4,449
One Off Costs (f)	-1,165	-1,098	-512	-82	0	0	-120	0	0	0	0	0	0
Extra Revenue Repairs (g)	-238	-213	-235	-230	-239	-249	-258	-268	-279	-289	-300	-314	-326
Unitary Charge RSG	6,096	6,096	6,096	6,096	6,096	6,096	6,096	6,096	6,096	6,096	6,096	6,096	6,096
Written Back to / from General Reserves (h)	0	0	0	0	0	0	0	0	0	0	0	0	0
Earmarked Reserve c/fwd	<u>2,796</u>	<u>1,638</u>	<u>940</u>	<u>531</u>	<u>746</u>	<u>898</u>	<u>912</u>	<u>1,025</u>	<u>1,117</u>	<u>1,187</u>	<u>1,234</u>	<u>1,254</u>	<u>1,248</u>

(a) Savings now complete as Sacred Heart building will remain in use as Nursery.

(b) Annual Saving of £200k taken from 2017/18 then £400k onwards from 2018/19. Additional funding £260k added from 2017/18 to 2020/21, increasing to £910k per year thereafter.

(c) Uses a pool fund rate of 3.60% for 2017/18, 3.55% for 2018/19, 3.65% for 2019/20, 3.80% for 2020/21, 3.90% for 2021/22 & 4.20% from 2022/23 onwards. £100k contingency from 2018/19. Reflects costs of acceleration of programme.

(d) Based on Actual Unitary Charge at Jan 2011 RPI of £8.842 million. £100k contingency included in 2017/18, £100k saving from 2018/19

(e) Base at Jan 2017 RPI. Assumes 2.7% annual inflation (4% RPI discounted by factor of 1.5)

(f) Includes cost of QIO up to end of July 2018, full NDR for St Stephen's decant building to June 18, £45k per year rent 2017/18 and £12k 2018/19 for St Stephen's land, £246k added for additional school buses up to Aug 20. £150k added 2017/18 for PPP Contract Review. After 2023/24 all one-off costs cease.