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**Report To:** Education & Communities Committee      **Date:** 31 October 2017

**Report By:** Corporate Director Education, Communities & Organisational Development and Chief Financial Officer      **Report** EDUCOM/90/17/EM

**Contact Officer:** Eddie Montgomery      **Contact No:** 01475 712472

**Subject:** Education Capital Programme 2017 – 2020 Progress

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## **1.0 PURPOSE**

1.1 The purpose of the report is to update the Committee in respect of the status of the projects forming the Education Capital Programme and to highlight the overall financial position.

## **2.0 SUMMARY**

2.1 This report advises the Committee in respect of the progress and financial status of the projects within the overall Education Capital Programme.

2.2 The Capital Programme reflects the review of the School Estate Funding Model as reported to the November 2016 Committee and the Capital Programme approved in February 2017. The programme covers the period 2017/20.

2.3 Overall the Committee is projecting to contain the costs of the 2017/20 Capital Programme within available budgets.

2.4 The St Mary's PS Refurbishment and Extension project has been progressed to Architectural Stage 2 with the current proposals requiring approval in respect of the scope of the works and revised funding arrangements to address the projected increased project cost.

2.5 Expenditure at 30<sup>th</sup> September is 27.81% of the 2017/18 approved budget. Potential net advancement of £4m (29.17%) is being reported across the major projects currently on site as outlined in section 9.2.

## **3.0 RECOMMENDATIONS**

3.1 That the Committee notes the progress on the specific projects detailed in Appendix 1.

3.2 That the Committee notes the significant increase in planned 2017/18 expenditure based on the latest cashflow forecasts received from contractors.

- 3.3 That the Committee approves the changes to the scope of the St Mary's Primary School Refurbishment & Extension project including the revised budget allocation and utilisation of the overall capital programme contingency / lifecycle fund allocation re-profiling to address the revised scope of works as outlined in Section 7.1 and Appendix 2.

**Wilma Bain**  
**Corporate Director Education,**  
**Communities & Organisational**  
**Development**

**Alan Puckrin**  
**Chief Financial Officer**

## **4.0 BACKGROUND**

- 4.1 This report shows the current position of the approved Education Capital Programme reflecting the allocation of resources approved by the Committee at the meeting of 1<sup>st</sup> November 2016 and the Full Council on 16<sup>th</sup> February 2017.
- 4.2 The School Estate Strategy approved by the Committee will deliver a comprehensive programme of new and refurbished schools which will address the modernisation of the Council's entire school stock. The acceleration of the School Estate Management Plan approved at the Council budget setting meeting of 10<sup>th</sup> March 2016 will see completion of the remaining projects by 2020. The Education Capital Programme detailed in this report shows details of projects which will incur expenditure up to March 2020.

## **5.0 PROJECTS COMPLETE ON SITE / WITHIN DEFECTS LIABILITY PERIOD**

### **5.1 Kilmacolm Primary School Refurbishment:**

The school transferred back to the refurbished building at the end of October 2016 with the first day of operation on the 28<sup>th</sup>. The Client Services Team is currently working with the school and stakeholders in conjunction with hub West Scotland and the Contractor to address the final snagging and defects which it is anticipated will be closed out over the October school holiday period.

### **5.2 St Patrick's Primary School New Build:**

The school transferred to the new facility at the end of November 2016 with the first day of operation on the 24<sup>th</sup>. The Client Services Team continues to work with the school and stakeholders in conjunction with hub West Scotland and the Contractor to address snagging and defects utilising out of hours working / holiday periods as required during the defects liability period.

## **6.0 PROJECTS ON SITE / UNDER CONSTRUCTION**

### **6.1 Bluebird Family Centre Refurbishment:**

The project commenced on site in January 2017 to originally complete by July 2017. The Centre has been operating from temporary decant accommodation within the existing St Joseph's PS during the construction works. The main contract works have now achieved practical completion with some minor outstanding fencing works planned to be completed over the October holiday period. The transfer will take place over the October holiday period with the first operational day in the refurbished facility Tuesday 24 October.

### **6.2 Moorfoot Primary School Refurbishment:**

The project commenced on site in April 2017 with an original completion date in early March 2018. As previously reported, additional asbestos was discovered during the early stripping out and remodelling works which has resulted in some delay to the programme, however the Contractor has reviewed the current programme and is targeting a completion in April to maintain the original planned school transfer in Easter 2018. Asbestos removal works have been completed with works recommenced in all areas including uplifting and renewal of floors and mechanical and electrical first fix internally. External fabric work is progressing including re-roofing / new rooflight installation and external brickwork re-pointing. Work is also on-going on the reconfigured main entrance area and car park. The Client Services Team will continue to liaise with the school and Parent Council throughout the construction phase and will monitor progress closely against the revised programme over the remainder of the contract.

### **6.3 St Ninian's Primary School New Build:**

The project commenced on site in June 2017 to complete in phases with the first phase involving the construction of the new facility, programmed to complete in June 2018, and the second phase involving the demolition of the existing school which is programmed to complete by October 2018. The Contractor continues to make good progress with foundations complete, structural steel frame erection currently on-going and with the first precast stairs and mid floor decking planned for installation in early October. Work is also on-going on the formation of the car park following the recent completion of the new bus lay-by. The Client Services Team will continue to liaise with the school and Parent Council throughout the construction phase.

### **6.4 Lady Alice Primary School Refurbishment:**

The project commenced on site in June 2017 to complete by May 2018. Internal stripping out and downtakings are complete with internal alterations and remodelling progressing. Re-slating work to the pitched roofs is progressing well and mechanical and electrical first fix is progressing internally. The structural steel frame in connection with the new extension is substantially complete with substructure brickwork in progress. The Client Services Team will continue to liaise with school and Parent Council throughout the construction phase.

### **6.5 Glenpark Early Learning Centre:**

The project commenced on site in August 2017 to complete by May 2018. The Contractor is making good progress on site with foundations complete and structural steel frame erection also substantially completed. Groundworks have been progressed including drainage and kerbing to form the new car park. The Client Services Team will continue to liaise with the Early Years Service and Centre staff throughout the construction phase.

The final phase of remediation works (under separate contract) involving removal of an existing underbuilding and associated asbestos debris commenced on site in August and is now complete. Minor site level adjustment will be taken forward during October. The Council's Technical Services section continues to liaise with the surrounding residents in respect of the works.

### **6.6 Glenbrae Children's Centre Relocation (Aberfoyle Road Refurbishment):**

A formal legal acceptance has now been issued for the main contract with the date of site possession agreed. The works will commence in October 2017 to complete by May 2018. The Centre will remain in its current location during the construction phase. The Client Services Team will continue to liaise with the Early Years Service and Centre staff throughout the construction phase.

## **7.0 PROJECTS AT BRIEFING/DESIGN/PRE-CONSTRUCTION STAGE**

### **7.1 St Mary's Primary School Refurbishment & Extension:**

Proposals involve utilisation of the former Sacred Heart PS decant facility following completion of the Moorfoot PS project. The anticipated timeline for the project will involve decant of the main school at the start of the 2018 Summer holiday period with construction work commencing thereafter and completion circa Summer 2019. The proposals for the Early Years Estate and the new Glenpark Early Learning Centre (6.5 above) will allow the nursery within St Mary's Primary School to be relocated ahead of the main school decant. The Client Services Team developed the initial brief in consultation with the Head Teacher which was issued to Technical Services who have now developed proposals to Architectural Stage 2. Appendix 2 contains extracts from the design model providing an overview of the current proposals. The Committee is requested to note that the current estimate for the project is £6.051M with a current budget allocation of £5.291M. The current proposals incorporate a number of changes to the original anticipated project scope and a summary of these and any other significant items has been provided below:

- Existing Kelly Street Children's Centre – as noted in the previous report to Committee an option to consider demolition of the existing Kelly Street building is being considered as part of the proposals. The existing building will become surplus following completion of the new Glenpark Early Learning Centre building and the Kelly Street building is generally in poor condition across all major elements. The proposed extension of St Mary's will result in the loss of valuable playground space and this could be addressed by the demolition of the existing Kelly Street building and provision of suitable hard and soft landscaped areas. This will also allow works to be undertaken to address a number of ageing perimeter walls and adjustment to current ground levels to better link the two sites.
- Sprinkler Installation – the original project scope did not include for the provision of an automatic fire suppression system (sprinklers) and this provision is not mandatory. Sprinklers are currently included in the proposals following a review of the risk profile for the building e.g. it will remain one of the few schools in Inverclyde with accommodation over 4 storeys.
- Extent of Internal Remodelling – the current proposals include addressing the existing varying floor levels between the teaching accommodation and the toilet areas. This involves the removal and renewal of existing stairs at each side of the building. The removal of the central stairwell is also proposed and these changes will significantly improve the overall accommodation layout and floor plate efficiency whilst also simplifying the escape strategy for the building. This approach does however mean that the toilets which have been refurbished in recent years will not be able to be retained i.e. some inefficiency associated with earlier partial refurbishment which was funded from the original capital allowance.
- Relocation of Main Entrance – the existing building main entrance is currently located on Patrick Street which is a busy road and there is no level / accessible access from this area. The current proposals include for a relocation of the main entrance and admin area as part of the new gym/assembly hall extension to the Kelly Street side of the building.
- Window Replacement – the existing building has had a number of phases of window replacement over the years however a number of original windows also remain to be addressed. The proposals include for full window replacement to allow a more consistent approach to façade presentation and to address bringing all windows up to current building standards in terms of fabric upgrade / thermal efficiency requirements. This is effectively bringing future lifecycle replacement requirements forward to minimise disruption and maximise the impact of the current project.
- Roof Works – the building has been subject to partial refurbishment in previous years including a significant overhaul of the roof. The current proposals include for stripping and re-slating the existing roofs as the integrity of the roof coverings cannot be guaranteed in the medium to longer term. This item is also effectively bringing future lifecycle replacement requirements forward to minimise disruption and maximise the impact of the current project.

The Committee is requested to approve the progression of the current proposals and the reallocation of existing SEMP model funding as outlined below to address the projected budget gap:

<b>Budget line</b>	<b>Current Approved Budget £000</b>	<b>Revised Budget £000</b>	<b>Variance £000</b>
St Mary's PS Refurbishment & Extension	5,291	6,051	+760
Capital Programme Contingency #1	400	50	-350
Lifecycle Fund #2	5,263	4,853	-410
<b>Total</b>	<b>10,954</b>	<b>10,954</b>	<b>-</b>

#1 – The complete on site budget has been reviewed in respect of any remaining historic project commitments and £250K has been added to the capital programme contingency line. This is in connection with any funding remaining following agreement of project final accounts with the largest element of the £250K from the recent Port Glasgow Community Campus project. As the St Mary's project is the largest of the remaining SEMP major projects it is appropriate to release the majority of the capital programme contingency to address the funding gap. £50K has been retained pending the progression of the Stage 2 proposals and cost for the only other remaining SEMP project at Gourrock Primary School.

#2 – The lifecycle fund allowances address future elemental refurbishment / replacement works across the estate with the funding model allowances increasing year on year as the estate deteriorates over time. The allocation of this funding is subject to annual review prioritisation based on estate elemental condition. It is proposed that the £410K noted above be re-allocated proportionately from the 2018/19 and 2019/20 allocations.

The Client Services Team will continue to liaise with the school and Parent Partnership as the proposals are developed to detailed design stage.

#### **7.2 Gourrock Primary School Extension:**

Proposals involve the provision of a hall extension and associated changing/toilets. The project will be taken forward with the school in-situ similar to the Inverkip Primary School Extension project. Survey works have been progressed to establish the location of services in the area and establish site levels etc. The anticipated timeline for the project will involve construction work commencing Summer 2018 and completion in Summer 2019. The Client Services Team prepared the initial brief which was issued to Technical Services who have investigated design options considering the constraints of the site and existing building. A stage 2 report and cost is currently being prepared to allow a check against the project budget allocation. Engagement with the Head Teacher and wider stakeholders will continue throughout the design development stages.

#### **7.3 Hillend Children's Centre Refurbishment:**

Proposals involve the comprehensive refurbishment of the existing facility. The brief for the project is being developed in consultation with the Centre and Early Years Service. The decant strategy for the project involves the temporary use of the existing Glenbrae Children's Centre building during the construction phase.

## **8.0 DEVELOPMENT & IMPLEMENTATION OF 1140 HOURS OF EARLY LEARNING & CHILDCARE**

8.1 A separate report on the Scottish Government's commitment to increase entitlement to early learning and childcare is being presented to this Committee. An initial capital allocation for 2017/18 (£384K) has been received and officers have identified projects for delivery in the current financial year involving:

- Alterations / adaptations to provide a Nursery Class at St Francis Primary School – detail design progressing via Technical Services.
- Alterations / adaptations to provide a Nursery Class at St Joseph's Primary School – detail design progressing via Technical Services.
- Alteration / adaptation to provide increased capacity at Binnie Street Children's Centre through improvements to external spaces – progressing via Client Services Team.
- Alteration / adaptation to former Early Years Language Centre within All Saints Primary School to accommodate 2-3 year old expansion – building warrant submission imminent with quotation received for work via PPP FM provider.

Further detail on the work in connection with this work stream is included in the separate report to this Committee.

## **9.0 IMPLICATIONS**

### **Finance**

9.1 The expenditure at 30<sup>th</sup> September 2017 is £3.813m from a budget of £13.712m. This is expenditure of 28.81% of the approved budget after 50% of the year.

9.2 The Committee is requested to note that potential net advancement of £4m (29.17%) is currently being reported. The current programme includes 4 major projects which have been progressed to site since the original spend profile estimates were prepared. All of these projects now have more detailed cashflow projections and all have progressed on site to a point where the risk in early groundworks has largely passed without delays and with superstructure work currently on-going. It should be noted that, as with all construction projects, the cashflow projections may still be affected by site specific factors and the new build projects in particular are more at risk from adverse weather until wind and weathertight status is achieved. The projections will be monitored on a monthly basis and an update provided as part of the regular capital programme reporting. A summary of all movements from the original projections is included below:

- Glenpark Early Learning Centre +£850K
- Lifecycle Fund -£200K
- Contingency -£31K
- Moorfoot PS Refurbishment +£1.2M
- Lady Alice PS Refurbishment & Extension +£250K
- St Ninian's PS New Build +£1.9M
- Complete on site +£31K

It should also be noted that the potential advancement / expenditure phasing noted has no impact on the overall capital programme as any loans charges associated with the expenditure in each financial year is contained within the overall SEMP financial model.

9.3 The current budget position reflects the following:

- SEMP model approved by Committee in November 2016.
- Grant funding received in respect of implementation of the Children & Young People Bill and Free School Meals.
- Grant funding received in respect of project specific awards in connection with the Scotland's Schools for the Future programme.
- Capital allocation received in respect of Early Learning and Childcare (ELC) – 1140 Hours Expansion.

The current budget is £39.556m, made up of £39.495m SEMP Supported Borrowing / Government Grant Funding and £61K Non-SEMP Supported Borrowing. The Current Projection is £39.556m.

Education & Communities	Approved Budget £000	Current Position £000	Overspend / (Underspend) £000
Total School Estate	39,495	39,495	-
Total Non School Estate	61	61	-
<b>Total</b>	<b>39,556</b>	<b>39,556</b>	-

9.5 Please refer to the status reports for each project contained in Appendix 1.

#### **Legal**

9.6 There are no legal issues.

#### **Human Resources**

9.7 There are no human resources issues.

#### **Equalities**

9.8 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**

9.9 The regeneration works outlined in this report should contribute to retaining and increasing the population within the area. There are no repopulation issues.



## **10.0 CONSULTATION**

- 10.1 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.
- 10.2 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.

## **11.0 LIST OF BACKGROUND PAPERS**

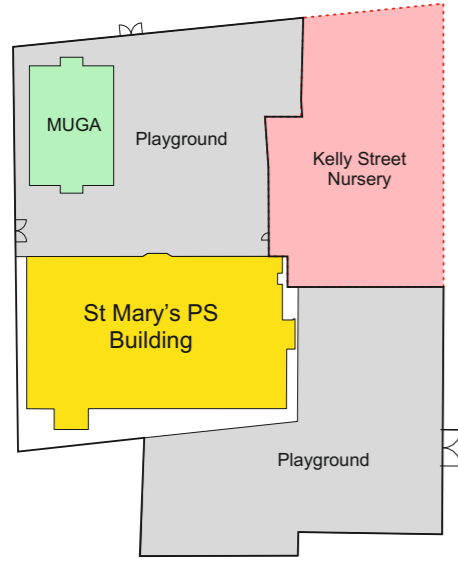
- 11.1 Education Capital Programme Technical Progress Reports October 2017. (A technical progress report is a project specific report which details the financial and progress position for current projects which have a legal commitment).

**EDUCATION CAPITAL REPORT**  
**COMMITTEE: EDUCATION & COMMUNITIES**



Project Name	1	2	3	4	5	6	7	8	9	10	11
	<u>Est Total Cost</u>	<u>Actual to 31/3/17</u>	<u>Approved Budget 2017/18</u>	<u>Revised Est 2017/18</u>	<u>Actual to 30/09/17</u>	<u>Est 2018/19</u>	<u>Est 2019/20</u>	<u>Future Years</u>	<u>Start Date</u>	<u>Original Completion Date</u>	<u>Current Completion Date</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>			
<b>SEMP Projects</b>											
Demolish St Stephens HS	500	500	0	0	0	0	0	0	Jun-18	-	Sep-18
Bluebird Family Centre - Refurbishment	1,300	187	1,003	1,003	823	110	0	0	Jan-17	Jul-17	Sep-17
Glenpark Early Learning Centre - New Build	3,355	89	1,476	2,326	325	800	140	0	Aug-17	-	May-18
Glenbrae Children's Centre - Aberfoyle Rd Refurbishment	1,137	32	725	725	28	380	0	0	Oct-17	-	May-18
Hillend Children's Centre - Refurbishment	1,031	0	96	96	0	700	235	0	-	-	-
Larkfield Children's Centre - Upgrade	350	0	0	0	0	0	350	0	-	-	-
Free School Meals Capital Grant	60	33	0	0	0	27	0	0	-	-	-
Lifecycle Fund	5,263	1,114	949	749	309	1,627	1,773	0	Apr-14	-	Mar-20
Balance of Contingency	400	0	45	14	0	386	0	0	-	-	-
Moorfoot PS Refurbishment	5,047	312	2,102	3,302	666	1,310	123	0	Apr-17	-	Apr-18
Lady Alice PS - Refurbishment	3,756	221	1,908	2,158	238	1,377	0	0	Jun-17	-	May-18
St Ninian's PS - New Build	9,180	232	4,679	6,579	1,382	2,261	108	0	Jun-17	-	Oct-18
Gourock PS - Extension	1,704	0	126	126	6	1,297	238	43	-	-	-
St Mary's PS - Refurbishment & Extension	5,291	0	150	150	21	3,224	1,800	117	-	-	-
Early Years 1140 Hours Capital Allocation	384	0	384	384	3	0	0	0	Apr-17	-	Mar-18
Complete on site	737	379	11	42	12	316	0	0	-	-	-
<b>TOTAL SEMP</b>	<b>39,495</b>	<b>3,099</b>	<b>13,654</b>	<b>17,654</b>	<b>3,813</b>	<b>13,815</b>	<b>4,767</b>	<b>160</b>			
<b>Non-SEMP Projects</b>											
MUGA/Blaes Pitch Upgrades Complete on site	61	3	58	58	0	0	0	0	-	-	-
<b>TOTAL non-SEMP</b>	<b>61</b>	<b>3</b>	<b>58</b>	<b>58</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>			
<b>TOTAL ALL PROJECTS</b>	<b>39,556</b>	<b>3,102</b>	<b>13,712</b>	<b>17,712</b>	<b>3,813</b>	<b>13,815</b>	<b>4,767</b>	<b>160</b>			

St Mary's Primary School  
Refurbishment - October 2017 Update

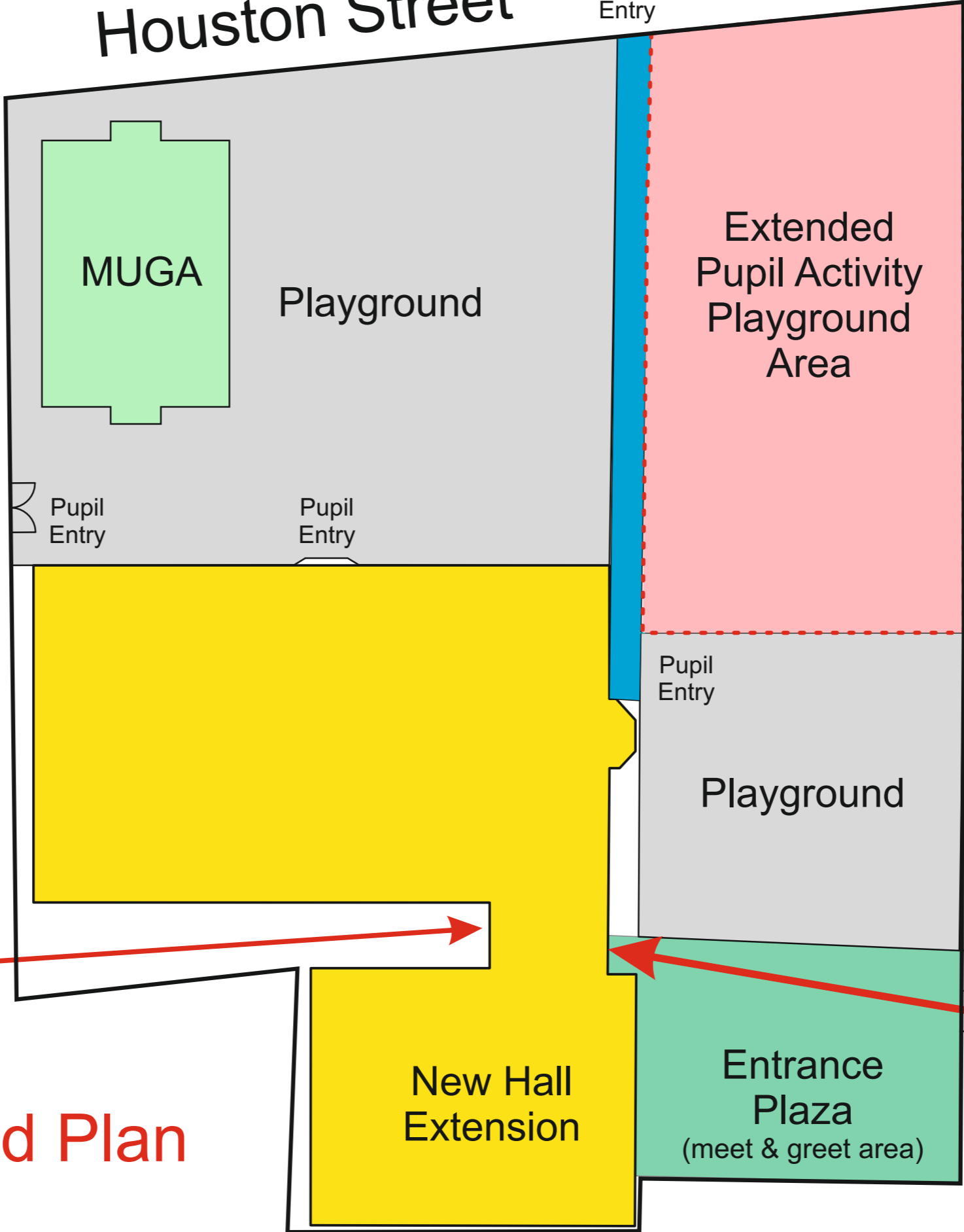


Existing

Houston Street

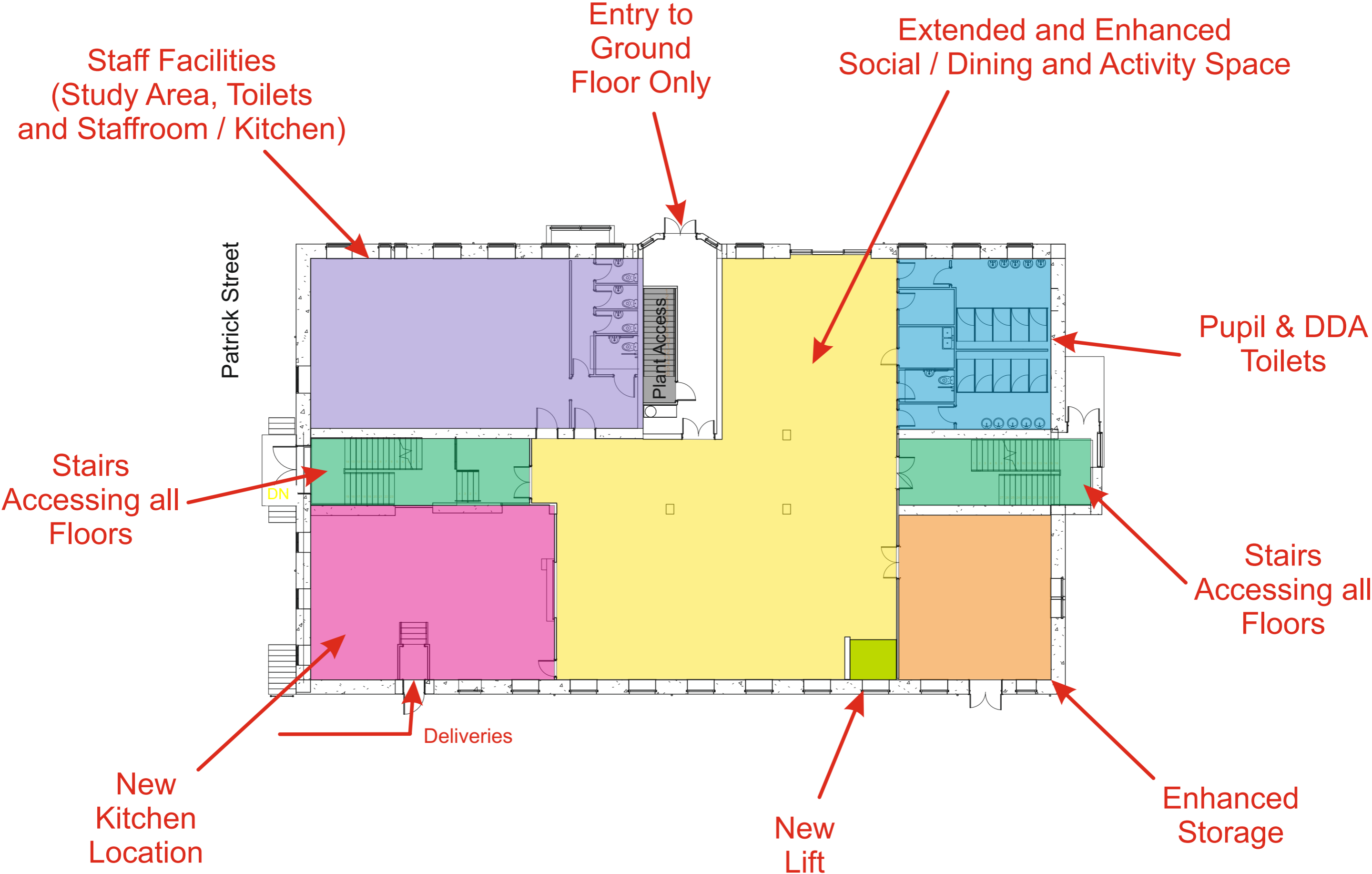
Patrick Street

Kelly Street



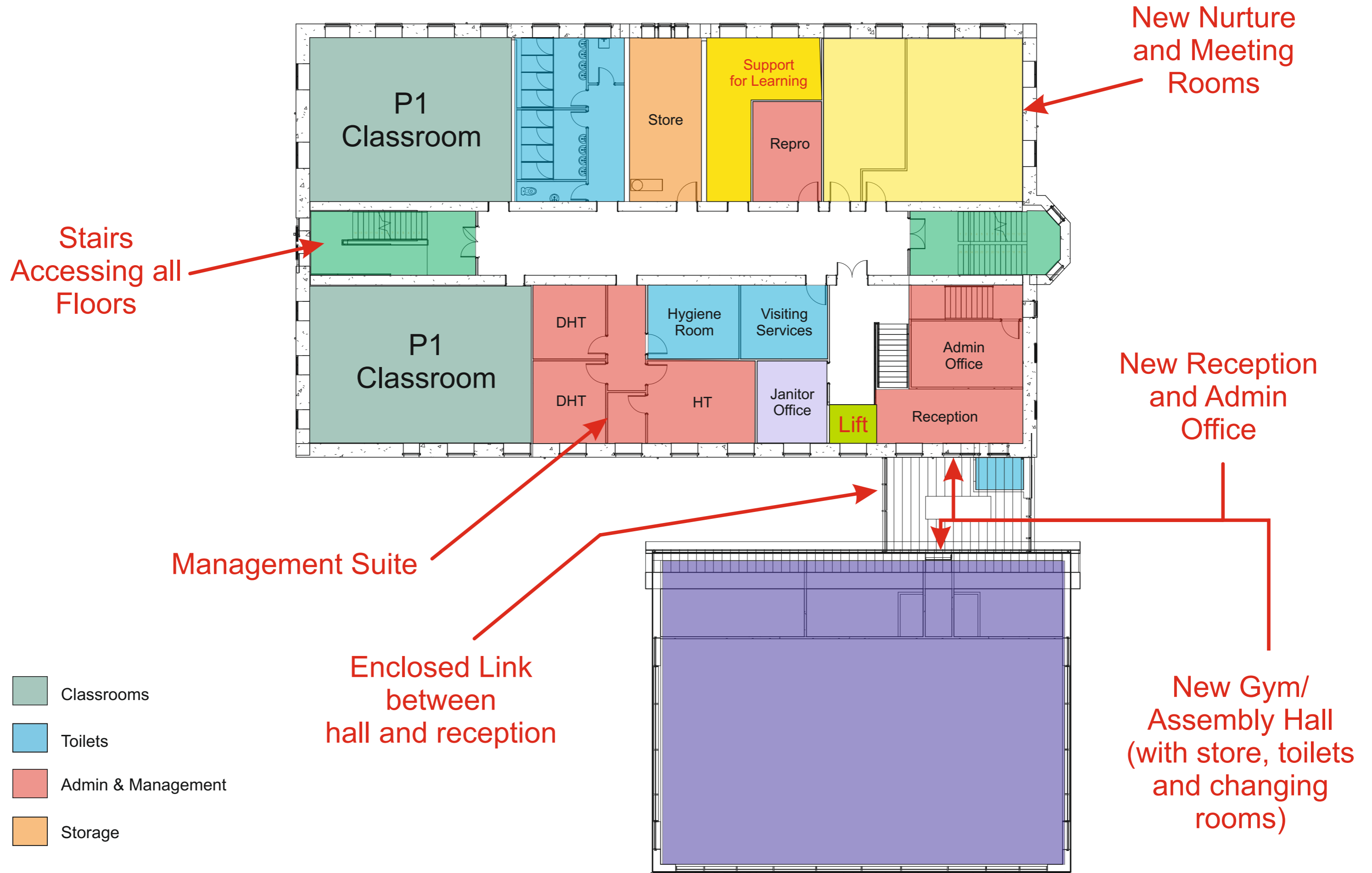
New / Refurbished Plan

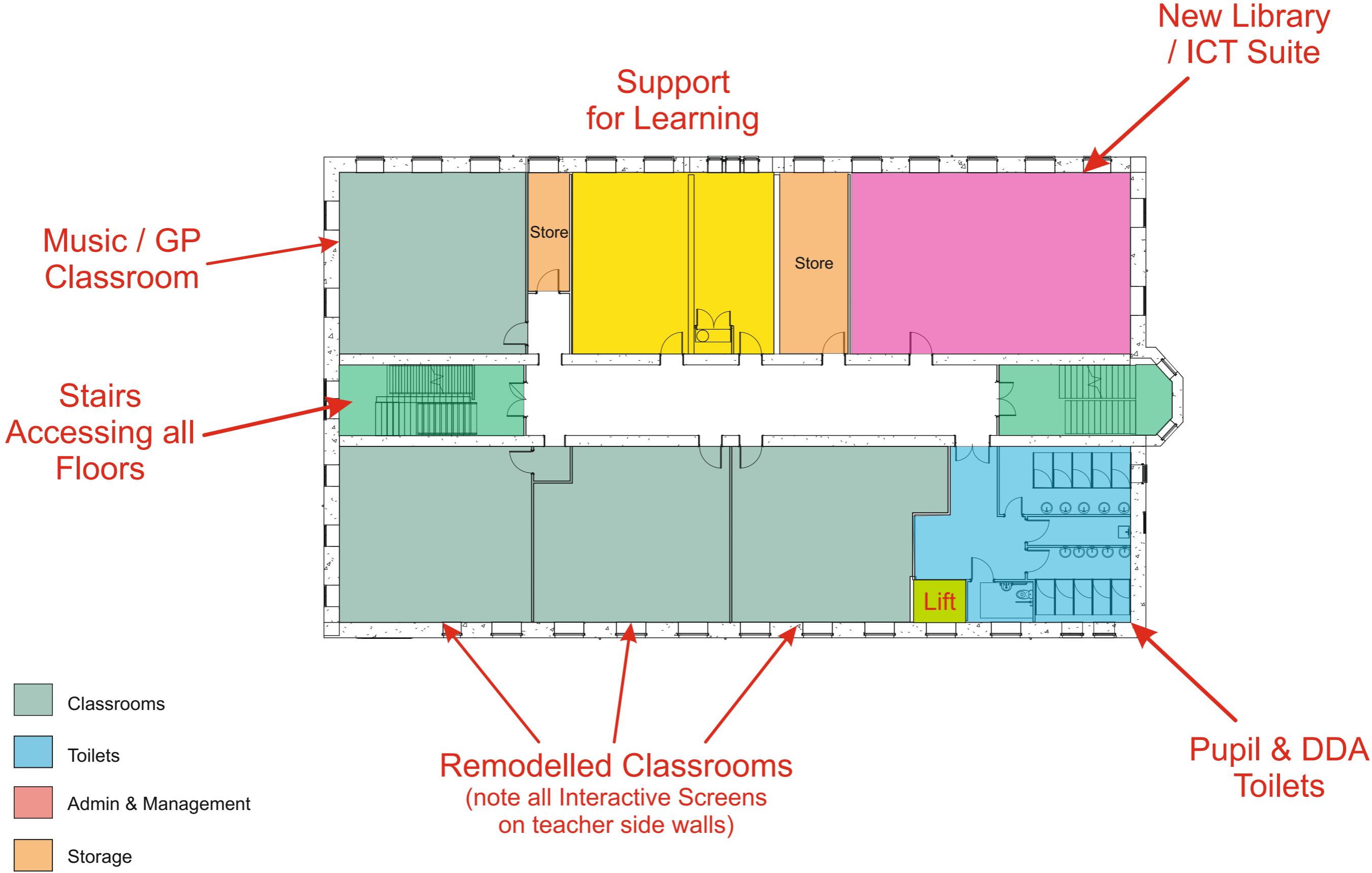
New School Entrance



St Mary's Primary School  
 Refurbishment - October 2017 Update

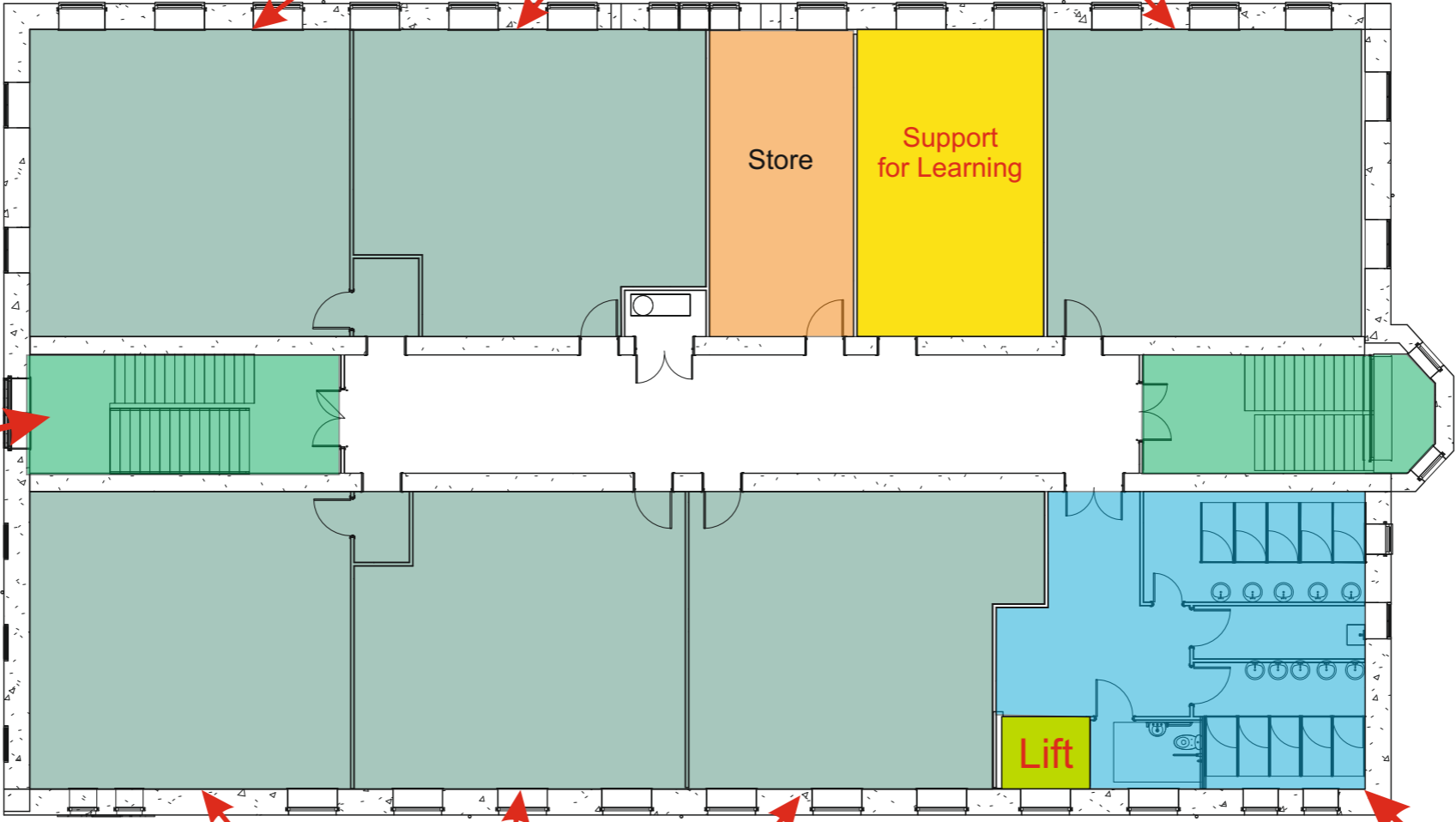
First Floor





Remodelled Classrooms  
(note all Interactive Screens  
on teacher side walls)

Stairs  
Accessing all  
Floors

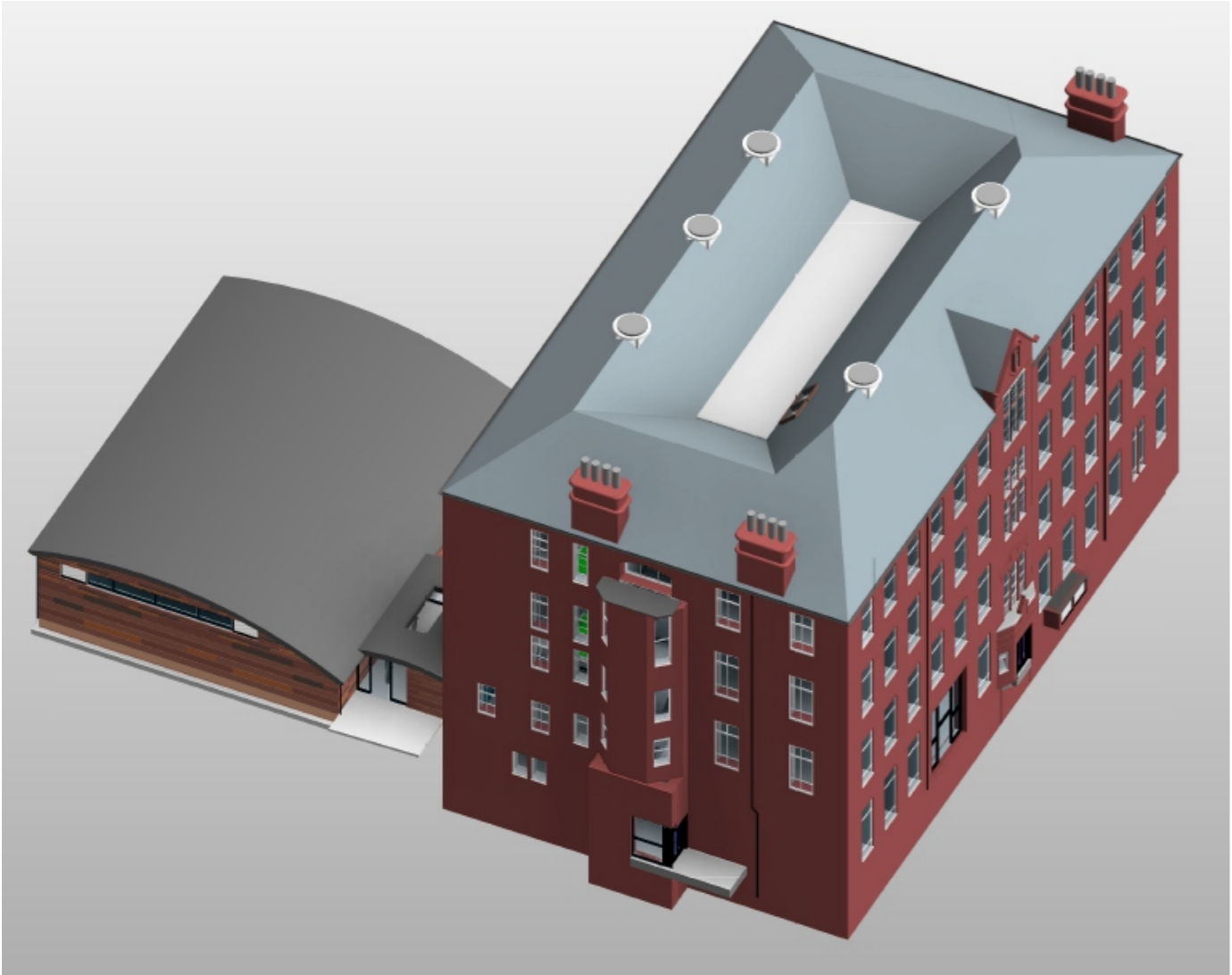


Remodelled Classrooms  
(note all Interactive Screens  
on teacher side walls)

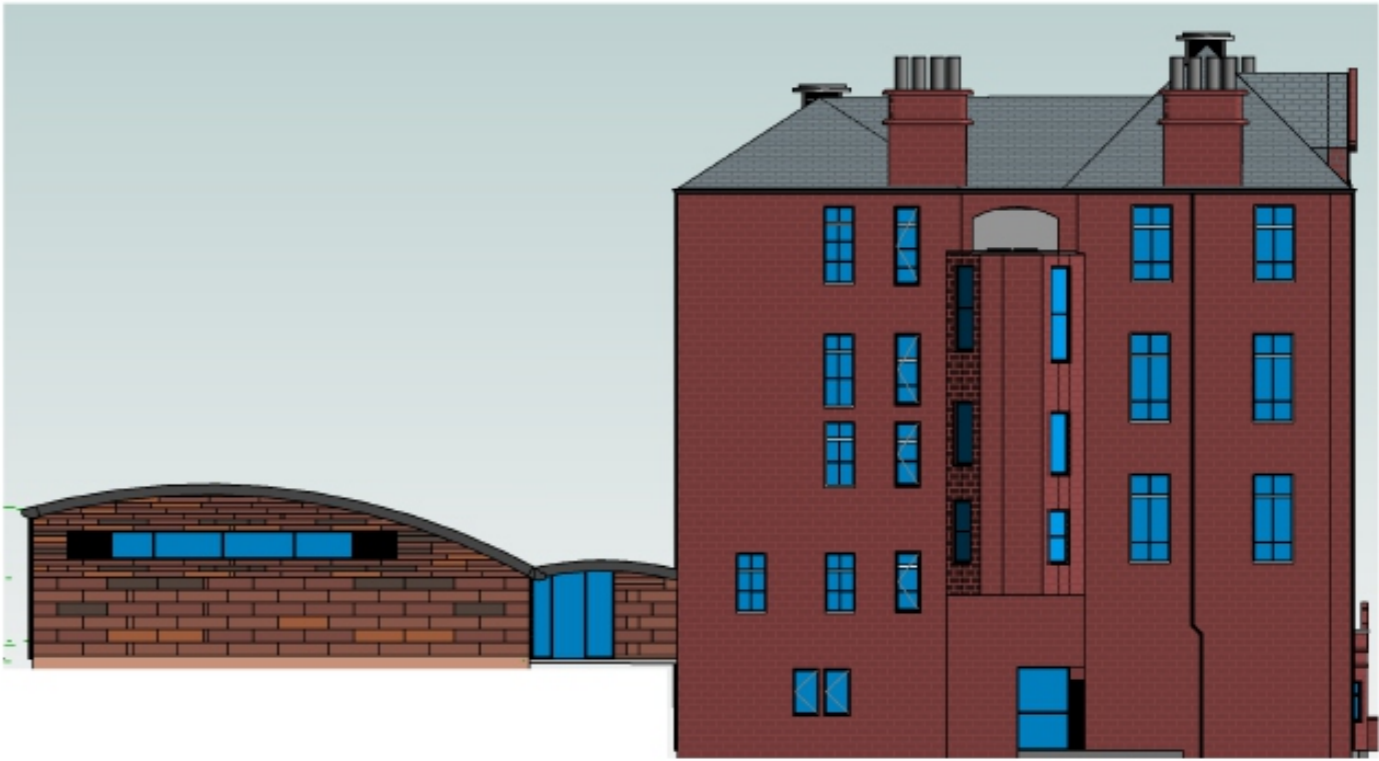
Pupil & DDA  
Toilets

- Classrooms
- Toilets
- Admin & Management
- Storage

St Mary's Primary School  
Refurbishment - October 2017 Update



3D View



Elevation From Kelly Street