
Report To: Education & Communities Committee **Date:** 23 January 2018

Report By: Corporate Director Education, Communities & Organisational Development and Chief Financial Officer **Report** EDUCOM/21/18/EM

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Subject: Education Capital Programme 2017 – 2020 Progress

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. A revised School Estate Funding Model is included later on the agenda for approval.

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

2.4 Expenditure at 15th December is 54.24% of the 2017/18 approved budget (43.23% of the revised projection). Potential net advancement of £3.493m (25.47%) is being reported across the major projects currently on site as outlined in section 9.2. This is a movement of -£507K (3.7%) from the net advancement reported to the last Committee.

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 review of the School Estate Funding Model which is a separate item on the agenda.

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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 1st November 2016 and the Full Council on 16th February 2017. The annual review of the School Estate Funding Model is covered under separate report on the agenda for this Committee.
- 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 10th 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 28th. The defects period has now expired and certification issued.

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 24th. The defects period has expired with final certification issue pending completion of a small number of outstanding items which are currently being addressed by the Contractor.

5.3 Bluebird Family Centre Refurbishment:

The centre transferred back to the refurbished building at the end of October 2017 with the first day of operation on 24th. The Client Services Team continues to work with the Centre in conjunction with Design Team 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 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 is currently targeting a completion in April to maintain the original planned school transfer at Easter 2018. Works continue to progress with new rooflight installation complete and roofing work substantially completed. New partitions internally are well advanced with sheeting work commenced. Floor renewal and insulation work is substantially completed with building services first fix well advanced. Works have also commenced on zinc cladding to the external elevations and external works including the alterations to main entrance and landscaping. The expenditure projection for the current financial year has been adjusted to reflect actual in the period since the last report and this indicates that the progress is slightly behind target, however, the Contractor has indicated that this is planned to be recovered in the next reporting period. The Client Services Team will continue to liaise with the school and Parent Council throughout the construction phase and are monitoring progress closely against the revised programme and cashflow forecast.

6.2 **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 substructure complete and roofing works well advanced, including completion of the main top sheet. Fire protection work to steelwork is substantially completed and structural steel framing works to the ground floor are nearing completion with first floor works imminent. The expenditure projection for the current financial year has been adjusted slightly to reflect actual in the period however does indicate that the progress is currently in line with target. The Client Services Team will continue to liaise with the school and Parent Council throughout the construction phase and are monitoring progress closely against the programme and cashflow forecast.

6.3 **Lady Alice Primary School Refurbishment:**

The project commenced on site in June 2017 to complete by May 2018. Works continue to progress with the roof slating work substantially completed and works to fascias and soffits ongoing with renewal of rainwater goods and soil/vent pipework commencing shortly. Internally, electrical first fix is substantially complete with mechanical first fix ongoing and radiator installation commenced. Work on the extensions is continuing with roof structure and timber kit erection being progressed. The expenditure projection for the current financial year has been adjusted to reflect actual in the period since the last report and this indicates that the progress is slightly behind target, however, it is anticipated that this can be recovered in the next reporting period. The Client Services Team will continue to liaise with the school and Parent Council throughout the construction phase and are monitoring progress closely against the programme and cashflow forecast.

6.4 **Glenpark Early Learning Centre:**

The project commenced on site in August 2017 to complete by May 2018. Works are progressing with the structural steel framing system including cement particle board sheeting now complete. Further drainage works including the swale/soakaway to the site perimeter have also been completed. Internal partition setting out and curtain walling installation are programmed to commence prior to the Christmas break. The final remediation works (under separate contracts) to the adjacent site have now been completed. The Client Services Team continues to liaise with the Early Years Service and Centre staff throughout the construction phase and are monitoring progress closely against the programme and cashflow forecast.

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

The project commenced on site in October 2017 to complete by May 2018. The Contractor has completed the initial stripping out and dewatering works and is currently progressing the setting out for the new internal partitions. Work is also progressing on new internal and external drainage and first fix services installations. 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:**

The October Committee approved the revised scope and proposals for the St Mary's project. Decant arrangements for the project 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 (6.4 above) will allow the nursery within St Mary's Primary School to be relocated ahead of the main school decant. The Technical Services Team are currently progressing the detail design towards Building Warrant issue stage with formal planning application now submitted. The pre-qualification stage ESPD (European Single Procurement Document) is currently being prepared for issue to allow a list of Contractors to be selected for the tender stage. The Client Services Team will continue to liaise with the school and Parent Partnership as the proposals are developed through the detailed design stage and to tender.

7.2 Gourock Primary School Extension:

Proposals involve the provision of a hall extension and associated ancillary accommodation. The project will be taken forward with the school in-situ similar to the Inverkip Primary School Extension project. The Technical Services Team have investigated design options considering the constraints of the site and existing building, and this work has informed the preparation of a Stage 2 report and cost for the identified design solution. The cost check indicates that the proposals are currently within the budget allocation and further consultation has been undertaken with the Head Teacher/school to refine the design. Initial pre-application consultation has also been undertaken with the Planning Service ahead of any formal submission. The proposals now require to be taken to detail design stage and further work is being undertaken on the sequencing / phasing which will involve the provision of temporary modular accommodation to allow access to areas of the existing building and facilitate the works. The proposed programme is subject to the conclusion of the phasing / sequencing review and currently anticipates construction work commencing Autumn 2018 to allow completion in Summer 2019. 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 has been developed in consultation with the Centre and Early Years Service and has now been issued to Technical Services who will commence the early design proposals. 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 The Scottish Government has announced a plan to increase the entitlement of early learning and childcare from 600 hours to 1140 hours by 2020. The expansion requires substantial levels of investment in workforce and infrastructure which will be phased from 2017/18 onwards to ensure that required capacity is in place by 2020. Inverclyde Council submitted its expansion plan to the Scottish Government on 29th September 2017 on how it intended to deliver this expansion and this was reported to the October Education & Communities Committee. Following submission of the delivery plan officers from the working group met with the Scottish Futures Trust delivery support team in late October to review the plan. It should be noted that the current indications are that the likely available capital and revenue funding will not be sufficient to deliver the plan as submitted. A full re-working of the plan is currently underway. A further funding announcement was made on 14th December confirming that £52.2m new revenue and £150m capital funding would be made available for 2018/19, however, as yet there has been no confirmation of how this will be distributed across the various authorities.

Work is continuing on the delivery of the early phasing projects from the initial confirmed capital allocation for 2017/18 (£384K), with current progress noted below:

- Alterations / adaptations to provide a Nursery Class at St Francis Primary School – detail design nearing completion with building warrant application

submitted.

- Alterations / adaptations to provide a Nursery Class at St Joseph's Primary School – detail design nearing completion with building warrant application submitted.
- 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 application submitted with formal quotation received and accepted for work via PPP FM provider.

9.0 IMPLICATIONS

Finance

- 9.1 The expenditure at 15th December 2017 is £7.438m from a budget of £13.712m. This is expenditure of 54.24% of the approved budget after 75% of the year.
- 9.2 The Committee is requested to note that potential net advancement of £3.493m (25.47%) is currently being reported. The October report noted potential advancement of £4m mainly in connection with the 4 major projects which are currently progressing on site. A summary of all movements (-£507K) from the October report is included below:

- Bluebird Family Centre -£50K
- Hillend Children's Centre -£60K
- Free School Meals Capital Grant +£1K
- Balance of Contingency -£14K
- Moorfoot PS Refurbishment -£200K
- Lady Alice PS Refurbishment & Extension -£100K
- St Ninian's PS New Build -£30K
- Gourrock PS Extension -£61K
- St Mary's PS Refurbishment & Extension +£65K
- MUGAs Complete on site -£58K

It should be noted that, as with all construction projects, the cashflow projections may still be affected by site specific factors and the potential impact of adverse weather / winter working, particularly where new build / extension projects rely on achieving weathertight status. The projections will continue to be monitored on a monthly basis.

- 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.

| | | | | |
|-----|-------------------------|-------------------------|--------------------------|-------------------------------------|
| 9.4 | Education & Communities | Approved Budget £000 | Current Position £000 | Overspend / (Underspend) £000 |
| | Total School Estate | 39,495 | 39,495 | - |
| | Total Non School Estate | 61 | 61 | - |
| | Total | 39,556 | 39,556 | - |

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 December 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 15/12/17</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> | | | |
| <u>SEMP Projects</u> | | | | | | | | | | | |
| 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 | 953 | 859 | 160 | 0 | 0 | Jan-17 | Jul-17 | Sep-17 |
| Glenpark Early Learning Centre - New Build | 3,355 | 89 | 1,476 | 2,326 | 958 | 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 | 36 | 0 | 760 | 235 | 0 | - | - | - |
| Larkfield Children's Centre - Upgrade | 350 | 0 | 0 | 0 | 0 | 0 | 350 | 0 | - | - | - |
| Free School Meals Capital Grant | 60 | 33 | 0 | 1 | 1 | 26 | 0 | 0 | - | - | - |
| Lifecycle Fund | 4,853 | 1,114 | 949 | 749 | 411 | 1,217 | 1,773 | 0 | Apr-14 | - | Mar-20 |
| Balance of Contingency | 50 | 0 | 45 | 0 | 0 | 50 | 0 | 0 | - | - | - |
| Moorfoot PS Refurbishment | 5,047 | 312 | 2,102 | 3,102 | 1,526 | 1,510 | 123 | 0 | Apr-17 | - | Apr-18 |
| Lady Alice PS - Refurbishment | 3,756 | 221 | 1,908 | 2,058 | 867 | 1,477 | 0 | 0 | Jun-17 | - | May-18 |
| St Ninian's PS - New Build | 9,180 | 232 | 4,679 | 6,549 | 2,711 | 2,291 | 108 | 0 | Jun-17 | - | Oct-18 |
| Gourock PS - Extension | 1,704 | 0 | 126 | 65 | 8 | 767 | 829 | 43 | - | - | - |
| St Mary's PS - Refurbishment & Extension | 6,051 | 0 | 150 | 215 | 38 | 2,957 | 2,762 | 117 | - | - | - |
| Early Years 1140 Hours Capital Allocation | 384 | 0 | 384 | 384 | 5 | 0 | 0 | 0 | Apr-17 | - | Mar-18 |
| Complete on site | 737 | 379 | 11 | 42 | 26 | 316 | 0 | 0 | - | - | - |
| TOTAL SEMP | 39,495 | 3,099 | 13,654 | 17,205 | 7,438 | 12,711 | 6,320 | 160 | | | |
| <u>Non-SEMP Projects</u> | | | | | | | | | | | |
| MUGA/Blaes Pitch Upgrades Complete on site | 61 | 3 | 58 | 0 | 0 | 58 | 0 | 0 | - | - | - |
| TOTAL non-SEMP | 61 | 3 | 58 | 0 | 0 | 58 | 0 | 0 | | | |
| TOTAL ALL PROJECTS | 39,556 | 3,102 | 13,712 | 17,205 | 7,438 | 12,769 | 6,320 | 160 | | | |