
Report To: Education & Communities Committee **Date:** 13 March 2018

Report By: Corporate Director Education, Communities & Organisational Development and Chief Financial Officer **Report** EDUCOM/41/18/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 January 2018 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 Expenditure at 13th February is 76.97% of 2017/18 approved budget (83.33% of the revised projection). Potential net advancement of £2.240m (16.34%) is being reported across the major projects currently on site as outlined in section 9.2. This is a reduction of £1.253m (9.14%) 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 approves the issue of tenders for the St Mary's Primary School Refurbishment & Extension project, and grants delegated authority to the Head of Legal & Property Services to accept the most economically advantageous tender provided the cost is within the budget allocation for the project.

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Corporate Director Education,
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Development

Alan Puckrin
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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 Full Council on 16th February 2017 and the Committee at the meeting of 23rd January 2018 as part of the annual review of the School Estate Funding Model.
- 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 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 the 24th. The Client Services Team continues to work with the Centre in conjunction with the Design Team and the Contractor to address snagging and defects utilising out of hours working / holiday periods as required during the defects liability period. An official opening is planned for 2nd March 2018.

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 delay to the programme. Works continue to progress on site with gyproc sheeting and finishing works to partitions substantially progressed. External zinc cladding works are progressing however some external works including re-pointing and extension brickwork have been impacted by adverse weather. Building services first fix is substantially complete with second fix ongoing. Additional works have also been required in connection with the incoming water main and these are currently progressing in tandem with the remaining external landscaping works although as noted above, the recent weather conditions have impacted the Contractor's ability to progress external elements. The Contractor is currently reporting behind programme and has intimated that the targeted Easter completion will not be achievable. The current position has been reviewed in light of the current progress and it is recommended that the school transfer now take place at the start of June prior to the school summer period. This position has been communicated to parents through the school including the revised projected exceptional closure days in connection with the transfer. The Client Services Team will continue to liaise with the school and Parent Council throughout the construction phase and is 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 progress the works on site with the structural steel framing system works nearing completion and with internal partition works commenced across both floors. Under floor heating works have also commenced with external brick and blockwork ongoing. Mechanical and electrical first fix works are also progressing. It should be noted that although the

Contractor is currently reporting on programme the actual expenditure when compared to the projected cash flow is indicating that progress is not in line with target. The projected completion date is currently the end of June and although there was a preference to occupy the new facility for a short period prior to the commencement of the school summer holidays, it is not possible to guarantee that this would be achievable and as such it is recommended that the school transfer will take place after the school summer holiday period. This position has been communicated to parents through the school including the projected exceptional closure days in connection with the transfer. The Client Services Team will continue to liaise with the school and Parent Council throughout the construction phase and is monitoring progress closely against the current 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 to the main existing roofs are substantially complete including roof slating work, snow guards, fascias and soffits, and guttering. Internally, electrical first fix is complete with second fix ongoing. Plumbing and radiator pipework are also progressing with work on internal doors and ironmongery commenced. Work on the extensions is continuing with roof structure substantially completed. Repairs to concrete mullions and lintels are also ongoing. Works within the main boiler house have been impacted by water penetration affecting the floor slab. The issues have been identified as a combination of ground and mains water with works now underway to address through additional concrete floor slab works and remedial works to Scottish Water external pipework (via Scottish Water). The weather has also had some impact on the Contractor's ability to progress the external elements of the project including the new extensions. The Contractor is currently reporting behind programme and has submitted a formal request for extension of time which is currently being assessed. The original projected completion date was the end of May 2018 with a transfer in June prior to start of the school summer holiday period. The current position has been reviewed in light of the current progress and it is recommended that the school transfer now take place after the school summer holiday period. This position has been communicated to parents through the school including the revised projected exceptional closure days in connection with the transfer. The Client Services Team will continue to liaise with the school and Parent Council throughout the construction phase and is monitoring progress closely against the current programme and cashflow forecast.

6.4 Glenpark Early Learning Centre:

The project commenced on site in August 2017 to complete by May 2018. Works continue to progress on site with composite roof panels and rooflights now installed and with curtain walling, windows and doors underway. Internally the mechanical and electrical first fix is progressing with metal stud partition works also commenced. It should be noted that although the Contractor is currently reporting on programme the actual expenditure when compared to the projected cash flow is indicating that progress is slightly behind target. The Committee is also requested to note that the overall project cost includes an allowance for the value of the site which will be transferred to SEMP in the current financial year and the Capital Fund will be compensated accordingly for the loss of external receipt. The Client Services Team continues to liaise with the Early Years Service and Centre staff throughout the construction phase and is monitoring progress closely against the current 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 continues to progress the works with internal partitions and upgrading of the external walls substantially completed. Structural alterations have been completed for the new rooflights which are currently being installed. Services first fix works are substantially completed with second fix to progress as wall linings are advanced. External fabric works are programmed to commence imminently with external site

works commenced addressing the formation of the new retaining structure required to enlarge the external play area. It should be noted that although the Contractor is currently reporting on programme the actual expenditure when compared to the projected cash flow is indicating that progress is slightly behind target. 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 as previously reported potentially involved 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 is currently progressing the detail design of the main St Mary's project towards tender issue stage with Building Warrant applied for and formal planning application submitted. The pre-qualification stage ESPD (European Single Procurement Document) for the main project Contractor selection is progressing with 12 returns currently being evaluated. The estimated cost of the works is £6.051m, permission to issue tenders and approval for delegated authority to accept the most economically advantageous tender is requested. It should be noted that the proposed demolition of the existing Kelly Street Children's Centre is being taken forward as a separate project and dialogue is currently ongoing with Planning and Historic Environment Scotland (HES) following initial feedback from HES on the demolition planning application. It should also be noted that the extended period for the Moorfoot PS project as indicated in 6.1 and subsequent use of the Sacred Heart PS decant facility requires reconsideration of the June decant proposals for St Mary's. It is recommended that the school decant now take place after the school summer holiday period and this position has been communicated to parents through the school including the revised projected exceptional closure days in connection with the decant. The Client Services Team will continue to liaise with the school and Parent Partnership as the project is progressed through the design stages 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. As previously reported, 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. 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 tenders for the necessary design team consultants have been progressed with a full design team projected to be in place by the end of February. Further detailed work will be 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 detailed phasing / sequencing review and the progression of the detail design stage. It is currently anticipated that construction work could commence late 2018 with completion circa Autumn 2019. Engagement with the Head Teacher and wider stakeholders will continue as the project is progressed through the design stages to tender.

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 been issued to Technical Services who have now produced the early sketch design proposals that will allow the design to be developed and an outline cost check to be prepared. The decant strategy for the project involves the temporary use of the existing Glenbrae Children's Centre building during the construction phase.

8.0 SCHOOL ESTATE LIFECYCLE SUMMARY 2017/18

8.1 The School Estate Funding Model and capital programme include allowances for lifecycle works to address the on-going requirement for investment in the estate to maintain the overall condition of the assets at a good/satisfactory level. The allocation of this funding is based on annual review of the externally procured condition surveys and physical inspection of the various properties by the Client Services Team. The summary below provides an overview of the areas of expenditure (projected at £749K in 2017/18 from Appendix 1):

Inverkip PS

- Gym hall floor refurbishment
- Partial redecoration (circulation)
- Partial new flooring (circulation)
- Partial internal fire door replacement
- Partial lighting replacement – Dining/Gym (LED)

Kings Oak PS

- Gym hall floor refurbishment.
- Partial redecoration (circulation/gym/dining)
- Partial new flooring (circulation/dining)
- Partial external door replacement
- Partial lighting replacement – Stairwells (LED)
- Partial toilet refurbishment – pupil toilets

Newark PS

- Partial redecoration (pupil toilets/changing)
- Partial new flooring (GP/staff rooms)
- External render cleaning and decoration

St Andrew's PS

- Partial redecoration (gym/assembly/stairwells)
- External render cleaning and decoration

St Francis PS

- Gym hall floor refurbishment
- Partial new flooring (Dining)
- Replacement blinds
- Partial main kitchen upgrade

St Michael's PS

- Circulation space lightwell upgrade
- Partial toilet refurbishment – pupil toilets Ph.1

Wemyss Bay PS

- 3G pitch rejuvenation & replacement goals

Inverclyde Academy

- Partial redecoration (gyms/games hall/changing/circulation)
- External render cleaning and decoration

- 3G & 2G pitches rejuvenation & fencing works

St Columba's HS

- Partial redecoration (circulation)
- Main entrance door upgrade
- External render cleaning and decoration

9.0 DEVELOPMENT & IMPLEMENTATION OF 1140 HOURS OF EARLY LEARNING & CHILDCARE

9.1 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 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.

A full re-working of the plan is currently underway with a view to submission of a revised financial template by 2 March 2018.

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 – projected to have commenced on site but will not be completed prior to the end of the current financial year.
- Alterations / adaptations to provide a Nursery Class at St Joseph's Primary School – projected to be substantially completed prior to the end of the current financial year.
- Alteration / adaptation to provide increased capacity at Binnie Street Children's Centre through improvements to external spaces – design projected to be completed prior to the end of the current financial year.
- Alteration / adaptation to former Early Years Language Centre within All Saints Primary School to accommodate 2-3 year old expansion – projected to have commenced on site but will not be completed prior to the end of the current financial year.

It should be noted that the current Early Years Service proposals for the majority of the above expanded facilities target operational status for August 2018.

10.0 IMPLICATIONS

Finance

10.1 The expenditure at 13th February 2018 is £10.554m from a budget of £13.712m. This is expenditure of 76.97% of the approved budget after circa 85% of the year.

10.2 The Committee is requested to note that potential net advancement of £2,240m

(16.34%) is currently being reported. The January report noted potential advancement of £3.493m (25.47%) mainly in connection with the 4 major projects which are currently progressing on site. Given the revised projections for completion for the major projects as noted in the body of the report this has impacted the spend projections for the current financial year. A summary of all movements (-£1.253m) from the January report is included below:

- Bluebird Family Centre -£40K
- Glenpark Early Learning Centre +£174K
- Glenbrae Children’s Centre (Aberfoyle Road Refurbishment) -£300K
- Hillend Children’s Centre -£16K
- Lady Alice PS Refurbishment & Extension -£298K
- St Ninian’s PS New Build -£549K
- Gourrock PS Extension -£40K
- Early Years 1140 Hours Capital Allocation -£184K

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. The projections will continue to be monitored on a monthly basis.

10.3 The current budget position reflects the following:

- SEMP model approved by Committee in January 2018.
- 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.

10.4	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	-

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

Legal

10.6 There are no legal issues.

Human Resources

10.7 There are no human resources issues.

Equalities

10.8 Has an Equality Impact Assessment been carried out?

X

YES (see attached appendix)

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

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

11.0 CONSULTATION

11.1 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.

11.2 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.

12.0 LIST OF BACKGROUND PAPERS

12.1 Education Capital Programme Technical Progress Reports February 2018. (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 13/02/18</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>
	£000	£000	£000	£000	£000	£000	£000	£000			
SEMP Projects											
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	913	863	140	60	0	Jan-17	Jul-17	Sep-17
Glenpark Early Learning Centre - New Build	3,355	89	1,476	2,500	1,341	626	140	0	Aug-17	-	May-18
Glenbrae Children's Centre - Aberfoyle Rd Refurbishment	1,137	32	725	425	254	630	50	0	Oct-17	-	May-18
Hillend Children's Centre - Refurbishment	1,031	0	96	20	0	366	645	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	537	717	2,273	0	Apr-14	-	Mar-20
Balance of Contingency	50	0	45	0	0	0	50	0	-	-	-
Moorfoot PS Refurbishment	5,047	312	2,102	3,102	2,491	1,510	123	0	Apr-17	Apr-18	Jun-18
Lady Alice PS - Refurbishment	3,756	221	1,908	1,760	1,280	1,598	177	0	Jun-17	May-18	Jul-18
St Ninian's PS - New Build	9,180	232	4,679	6,000	3,669	2,840	108	0	Jun-17	-	Oct-18
Gourock PS - Extension	1,704	0	126	25	8	607	1,029	43	-	-	-
St Mary's PS - Refurbishment & Extension	6,051	0	150	215	67	2,000	3,719	117	-	-	-
Early Years 1140 Hours Capital Allocation	384	0	384	200	8	184	0	0	Apr-17	Mar-18	May-18
Complete on site	737	379	11	42	27	0	316	0	-	-	-
TOTAL SEMP	39,495	3,099	13,654	15,952	10,546	11,244	9,040	160			
Non-SEMP Projects											
MUGA/Blaes Pitch Upgrades Complete on site	61	3	58	0	8	58	0	0	-	-	-
TOTAL non-SEMP	61	3	58	0	8	58	0	0			
TOTAL ALL PROJECTS	39,556	3,102	13,712	15,952	10,554	11,302	9,040	160			