
Report To:	Education & Communities Committee	Date:	4 September 2018
Report By:	Corporate Director Education, Communities & Organisational Development and Chief Financial Officer	Report	EDUCOM/81/18/EM
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Subject:	Education Capital Programme 2018 – 2021 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 March 2018. The programme covers the period 2018/21.
- 2.3 Overall the Committee is projecting to contain the costs of the 2018/21 Capital Programme within available budgets.
- 2.4 Expenditure at 13th July 2018 is 34.31% of 2018/19 approved budget.

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 following in respect of the Gourock Primary School Extension project:
- change to the scope of the project including the revised budget allocation and utilisation of the overall capital programme contingency / lifecycle fund allocation as outlined in Section 7.2.
 - issue of tenders for the project, and granting of delegated authority to the Head of Legal & Property Services to accept the most economically advantageous tender provided the cost is within the revised budget allocation for the project.

4.0 BACKGROUND

- 4.1 This report shows the current position of the approved Education Capital Programme reflecting the annual review of the School Estate Funding Model approved by the Committee at the meeting of 23rd January 2018 and the allocation of resources approved by the Full Council on 15th March 2018.
- 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 2021.

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.

5.2 Moorfoot Primary School Refurbishment:

The project commenced on site in April 2017 with an original completion date in early March 2018. As previously reported the project was delayed in connection with additional asbestos discovered during the early stripping out works and also in connection with additional works to the incoming water main. The school transferred back to the refurbished building at the start of June 2018 with the first day of operation on the 4th June. The final account for the project has yet to be agreed however it should be noted that additional funding may be required in connection with the extended contract period and additional works required to the building. An update will be prepared for Committee in due course upon conclusion of final account process. The Client Services Team continues to work with the School 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.

5.3 Glenpark Early Learning Centre:

The project commenced on site in August 2017 with an original completion date in May 2018. As previously reported the project was slightly delayed in connection with adverse weather during the winter period. The Centre transferred to the new building at the end of June 2018 with the first day of operation on 26th June. The Client Services Team continues to work with the Centre 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.

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

The project commenced on site in October 2017 with an original completion date in June 2018. The Centre transferred to the refurbished building in July with first day of operation on the 19 July. 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.

6.2 Lady Alice Primary School Refurbishment:

The project commenced on site in June 2017 with an original completion date at the end of May 2018. As previously reported, works have been delayed on site due to a combination of adverse weather and additional works required to the existing building including water penetration issues within the basement boiler house. Completion was achieved in August which allowed the planned transfer to the refurbished and extended building with first day for staff on Wednesday 15th August and first full day of operation on Tuesday 21st August. The final account for the project has yet to be agreed however it should be noted that additional funding will be required in connection with the extended contract period and additional works required to the building. An update will be prepared for Committee in due course upon conclusion of final account process.

6.0 PROJECTS ON SITE / UNDER CONSTRUCTION

6.1 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 originally programmed to complete in June 2018, and the second phase involving the demolition of the existing school programmed to complete by October 2018. As previously reported, the phase 1 works had been delayed on site mainly due to adverse weather over the winter period. Completion of the phase 1 work was achieved in August which allowed the planned transfer to the new building with first day for staff on Wednesday 15th August and first full day of operation on Tuesday 21st August. The phase 2 works for demolition of the existing school are currently being progressed.

7.0 PROJECTS AT BRIEFING/DESIGN/PRE-CONSTRUCTION STAGE

7.1 St Mary's Primary School Refurbishment & Extension:

The October 2017 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. The existing school has been vacated and resources transferred to allow operation from the decant facility in the new school term. The main project is currently at tender stage with returns due in August. Planning consent has been granted with first stage Building Standards approval imminent. A package of enabling works commenced in early July including main plant room strip out and asbestos removal and this work is nearing completion. It should be noted that the main contract tender issue was slightly behind programme and therefore, subject to tender return, evaluation and formal acceptance. A formal site start is likely to be in late September. Engagement with the Head Teacher and wider stakeholders will continue as the project is progressed to construction stage.

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 and with the use of temporary modular accommodation to allow access to areas of the building in phases to facilitate the works. The design team are now progressing the detail design to tender stage with further ground investigation works undertaken over the summer holiday period to inform detailed foundation and drainage design. Planning approval

has now been granted with formal Building Warrant submission imminent. A detailed sequencing / phasing plan has now been prepared including the extent and location of temporary modular accommodation. Tender documents for the temporary accommodation are nearing completion with issue imminent. It is currently anticipated that construction work will commence late 2018/early 2019 with completion late 2019 subject to tender issue, return and evaluation. The Committee is requested to note that following a more detailed cost check on the current proposals, the revised estimate for the project is £2.056M with a current budget allocation of £1.704M. The current proposals incorporate a number of developments and changes to the original anticipated project scope and a summary of these and any other significant items has been provided below:

- Extent of Internal Remodelling and Size of Extension – the current proposals include the relocation of the existing main cooking kitchen and conversion of that area to teaching space including minor infill extension. It should be noted that the existing kitchen equipment is original to the building and as such is approaching 20 years old. The relocation of the kitchen to work alongside the new dining/activity space extension in addition to offering the best operational solution also affords the opportunity for lifecycle replacement of the existing kitchen equipment. The extension has also been increased slightly to address an improvement to the main entrance which is an area that is currently undersized in the existing building. It is also proposed to introduce some improvements such as sun pipes in existing areas such as the circulation space which currently have no natural light.
- Central Boiler Plant, Pumps and Controls – the existing main plant and equipment are also original to the existing building approaching 20 years old and end of life. In lieu of providing additional stand-alone boiler plant for the extension it is proposed to address the lifecycle replacement of all main plant including water heaters, pumps, flue and ancillary equipment at this time and have the new plant sized sufficient to serve the new extension. This is effectively bringing future lifecycle replacement requirements forward to minimise disruption and maximise the impact of the current project.
- Phasing Requirements – the project is being taken forward in a live school environment which requires detailed consideration of phasing and sequencing of works to minimise disruption to the existing school whilst still affording the required access to facilitate the works. It is anticipated that this will involve a greater degree of out of hours working and a slightly longer contract duration which will impact on the cost of the 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. Permission is also sought to issue tenders including delegated authority to accept the most economically advantageous tender:

Budget line	Current Approved Budget £000	Revised Budget £000	Variance £000
Gourock PS Extension	1,704	2,056	+352
Capital Programme Contingency	62	0	-62
Lifecycle Fund #1	7,052	6,762	-290
Total	8,828	8,828	-

#1 – The lifecycle fund allowances address 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 £290K noted above be re-allocated proportionately from the 2018/19 and 2019/20 allocations.

7.3 Hillend Children’s Centre Refurbishment:

Proposals involve the comprehensive refurbishment of the existing facility. The decant strategy for the project involves the temporary use of the former Glenbrae Children’s Centre building during the construction phase. Technical Services have now prepared a Stage 2 design in consultation with the Early Years Service and Client Services Team. The detail design stage will now be progressed including Planning and Building Warrant submissions in due course.

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 initial 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 2017 Education & Communities Committee. As previously reported, a full re-working of the plan was undertaken with submission of a revised financial template in March 2018 and the revised plan was reported to the special Education & Communities Committee in June 2018. This report will focus on the infrastructure and capital funded elements of the expansion plan which are summarised in the sections below. The Committee is requested to note that further detail on the cost of individual projects will be provided as projects are progressed beyond feasibility to tender return stage.

8.2 The Scottish Government confirmed a total Capital grant of £5,980,000 to Inverclyde Council as part of the overall 1140 hours funding with the below yearly spend allocation. Any yearly over or underspends will be contained within the overall £5,980,000 funding allocation.

	<u>2017/18</u> <u>£000</u>	<u>2018/19</u> <u>£000</u>	<u>2019/20</u> <u>£000</u>	<u>2020/21</u> <u>£000</u>	<u>Total</u> <u>£000</u>
Amount Allocated	£380	£1,900	£2,200	£1,500	£5,980

8.3 Refurbishment Projects:

Blairmore Nursery – Works involve the alteration/adaptation of the former Early Years Language Centre within All Saints Primary School to accommodate 2-3 year old expansion at Blairmore. Works were completed over the Easter 2018 holiday period and registration is currently ongoing to allow operation in August 2018.

St Joseph’s Primary School – Works involve the alteration/adaptation of existing accommodation to provide a Nursery Class. Works commenced in 1st Quarter 2018 to originally complete by summer however some delay has been experienced in connection with the external access ramp and associated ground investigation for foundation design. The internal works are substantially completed with overall

completion anticipated in time for planned operation which is now projected to be January 2019.

St Francis' Primary School - Works involve the alteration/adaptation of existing accommodation to provide a Nursery Class. Works commenced in 1st Quarter 2018 to originally complete by summer however some delay has been experienced in connection with the external canopies and foundation design which has been affected by adjacent underground services. The internal works are substantially completed with overall completion anticipated in time for planned operation which is now projected to be January 2019.

Craigmarloch School – The proposals involve the alterations/adaptation of existing accommodation to provide a Nursery Class. The scope of works is currently being assessed to allow a brief to be issued and works to be programmed for completion in 2019/20.

Gourock YAC – The proposals involve the alterations/adaptation of part existing accommodation within the building to provide an early years facility. It should be noted that part of the accommodation is currently used by Wellington Children's Centre which provides a registered out of school care service. The scope of works is currently being assessed to allow a brief to be issued and works to be programmed for completion in 2019/20. A separate report is included on the agenda addressing the request of the June Committee for clarification on the lease arrangements for the Gourock YAC building.

8.4 **New Build Projects:**

Larkfield Children's Centre – The proposals involve the provision of a new build replacement for an expanded service within the grounds of the former Sacred Heart Primary School Campus where Larkfield Children's Centre currently operates from a wing of the existing building. It is proposed that the project be progressed via hub West Scotland and an initial brief has been prepared by the client Services Team in conjunction with the Early Years Service. More detailed feasibility work will now be undertaken including the necessary topographical, services and other surveys to assist on identifying the most suitable location for the new building.

Park Farm (Rainbow Family Centre) – The proposals involve the provision of a new build expansion which will operate in tandem with the existing Rainbow Family Centre. The project will involve the demolition of the existing Park Farm Community Centre and adjacent Multi-Use Games Area to provide the necessary space for expansion. It is proposed that the project be progressed via hub West Scotland and an initial brief has been prepared by the client Services Team in conjunction with the Early Years Service. Recent engagement with the Care Inspectorate on the 1140hrs expansion proposals have been positive however Officers did note that the preference for this site/project would be to locate the new build element in as close a proximity as possible to the existing Centre. More detailed feasibility work will now be undertaken including the necessary topographical, services and other surveys to assist in the preparation of options that best suit the site and how any new element will integrate with the existing building which will remain operational during the works.

8.5 **Outdoor Projects:**

Blairmore Nursery – The proposals involve the provision of covered outdoor space in the form of a canopy structure and minor alterations within the existing Nursery external play space. A brief for the works has been prepared for issue to the PPP FM provider with design to be developed and works to be progressed within the current financial year.

Binnie Street Children's Centre – The proposals involve the provision of additional WCs within the existing underbuilding accessed from the existing external play space. It is also proposed to provide covered outdoor space in the form of a timber based outdoor classroom structure. Listed building consent and building warrant are in place for the works within the existing building with the intention that these are taken forward by the Council's Building Services Unit later in the calendar year. A brief for the external timber structure is currently being prepared to allow tenders to be issued with a view to progressing the works as soon as possible within the current financial year.

Rainbow Family Centre - The proposals involve the provision of covered outdoor space in the form of a canopy structure and minor alterations within the existing external play space. A brief for the works has been prepared and issued to the Council's Technical Services section to allow the design to be developed to tender stage.

Gibshill Children's Centre - The proposals involve the provision of additional WCs within a small extension accessed from the existing external play space. It is also proposed to provide covered outdoor space in the form of a canopy structure and minor alterations within the existing external play space. A brief for the works has been prepared and issued to the Council's Technical Services section to allow the design to be developed to tender stage.

Kilmacolm Primary School – The proposals involve the expansion of the existing Nursery Class involving provision of a new outdoor teaching space incorporating WCs. It is anticipated that the building will be predominantly timber in construction and integrated with the existing Nursery outdoor teaching spaces in the school grounds. A brief for the works is currently being prepared for issue to the Council's Technical Services section to allow the necessary topographical, services and other surveys to be taken forward that will enable the design to be developed to tender stage.

Wemyss Bay Primary School – The proposals involve the expansion of the existing Nursery Class involving provision of a new outdoor teaching space incorporating WCs. It is anticipated that the building will be predominantly timber in construction and integrated with the existing Nursery outdoor teaching spaces in the school grounds. A brief for the works is currently being prepared for issue to the Council's Technical Services section to allow the necessary topographical, services and other surveys to be taken forward that will enable the design to be developed to tender stage.

9.0 IMPLICATIONS

Finance

- 9.1 The expenditure at 13th July 2018 is £3.401m from a budget of £9.912m. This is expenditure of 34.31% of the approved budget subject after 33.33% of the year.
- 9.2 The Committee is requested to note that no slippage is currently being reported however there have been some minor movements across budget lines as indicated within Appendix 1.
- 9.3 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.
 - Capital allocation received in respect of Early Learning and Childcare (ELC) – 1140 Hours Expansion.

The current budget is £46.482m, made up of £46.457m SEMP Supported Borrowing / Government Grant Funding and £25K Non-SEMP Supported Borrowing. The Current Projection is £46.482m.

9.4	Education & Communities	Approved Budget £000	Current Position £000	Overspend / (Underspend) £000
	Total School Estate	46,457	46,457	-
	Total Non School Estate	25	25	-
	Total	46,482	46,482	-

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 July 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 31/3/18</u>	<u>Approved Budget 2018/19</u>	<u>Revised Est 2018/19</u>	<u>Actual to 13/07/18</u>	<u>Est 2019/20</u>	<u>Est 2020/21</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>			
SEMP Projects											
Demolish St Stephens HS	500	500	0	0	0	0	0	0	-	-	-
Glenpark Early Learning Centre - New Build	3,355	2,700	515	515	413	140	0	0	Aug-17	May-18	Jun-18
Glenbrae Children's Centre - Aberfoyle Rd Refurbishment	1,137	485	602	602	287	50	0	0	Oct-17	May-18	Jul-18
Hillend Children's Centre - Refurbishment	1,031	7	379	379	0	645	0	0	-	-	-
Larkfield Children's Centre - Upgrade	350	100	0	0	0	250	0	0	-	-	-
Free School Meals Capital Grant	60	34	26	26	0	0	0	0	-	-	-
Lifecycle Fund	7,052	1,918	662	662	71	2,273	2,199	0	Apr-14	-	Mar-21
Balance of Contingency	62	0	12	12	0	50	0	0	-	-	-
Moorfoot PS Refurbishment	5,047	4,232	692	792	745	23	0	0	Apr-17	Apr-18	Jun-18
Lady Alice PS - Refurbishment	3,756	2,178	1,401	1,401	975	177	0	0	Jun-17	May-18	Aug-18
St Ninian's PS - New Build	9,180	6,433	2,639	2,639	812	108	0	0	Jun-17	-	Oct-18
Gourock PS - Extension	1,704	38	594	594	45	1,029	43	0	-	-	-
St Mary's PS - Refurbishment & Extension	6,051	324	1,891	1,891	20	3,719	117	0	-	-	-
Demolish Sacred Heart PS	266	0	0	0	0	266	0	0	-	-	-
Complete on site	951	423	152	52	9	476	0	0	-	-	-
TOTAL SEMP	40,502	19,372	9,565	9,565	3,377	9,206	2,359	0			
Early Learning & Childcare Expansion (1140hrs) Projects											
Refurbishment - St Francis PS Nursery Class	187	93	82	82	0	12	0	0	Feb-18	Jun-18	Oct-18
Refurbishment - St Joseph's PS Nursery Class	215	83	100	100	0	32	0	0	Feb-18	Jun-18	Oct-18
Refurbishment - Blairmore Nursery Expansion	36	1	25	25	24	10	0	0	Apr-18	Apr-18	Apr-18
Refurbishment - Craigmarnoch/Gourock YAC	252	0	0	0	0	48	204	0	-	-	-
New Build - Larkfield CC/Park Farm (Rainbow FC)	4,650	0	80	80	0	1,726	2,794	50	-	-	-
Outdoor - Blairmore/Binnie St/Gibshill/Rainbow/Kilmacolm/Wemyss Ba	640	0	60	60	0	556	24	0	-	-	-
TOTAL ELC EXPANSION	5,980	177	347	347	24	2,384	3,022	50			
TOTAL ALL PROJECTS	46,482	19,549	9,912	9,912	3,401	11,590	5,381	50			