
Report To:	Education & Communities Committee	Date:	12 March 2019
Report By:	Corporate Director Education, Communities & Organisational Development and Chief Financial Officer	Report	EDUCOM/30/19/EM
Contact Officer:	Eddie Montgomery	Contact No:	01475 712472
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 31st January 2019 is 73.17% of the 2018/19 approved budget (82.10% of the revised projection). Net projected slippage of £1.078m (10.88%) is currently being reported predominantly in connection with the delays experienced in the procurement of the St Mary's PS Refurbishment and Extension, the Gourrock PS Extension and the Hillend Refurbishment projects which have been partially offset by minor acceleration across other budget lines. This is an increase of £262K (2.34%) from the net slippage 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 for this Committee.

Ruth Binks
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 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 Inverclyde Council on 15th March 2018. 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 2021.

5.0 PROJECTS COMPLETE ON SITE / WITHIN DEFECTS LIABILITY PERIOD

- 5.1 The following projects are all being monitored through their respective defects liability periods with work ongoing on agreement of the final accounts. The Client Services Team continues to work with the Schools/Centres in conjunction with hub West Scotland, Technical Services and Contractors to address snagging and defects utilising out-of-hours working / holiday periods as required.

Project/Establishment Name	Operational Date	End of Defect Liability Period
Moorfoot Primary School Refurbishment	4 th June 2018	May 2019
Glenpark Early Learning Centre New Build	26 th June 2018	June 2019
Glenbrae Children's Centre (Aberfoyle Road Conversion/Refurbishment)	19 th July 2018	July 2019
Lady Alice Primary School Refurbishment & Extension	21 st August 2018	August 2019
St Ninian's Primary School New Build	21 st August 2018	August 2019 Ph.1 November 2019 Ph.2

- 5.2 As previously reported to the January Committee, the projected over-expenditure on the Lady Alice project will be contained within the existing funding model resources and a more detailed report brought back to a future Committee upon agreement of the final account for the project. The current Appendix allocates £242K against future (2020/21) lifecycle provision pending agreement of the various final accounts for recently completed projects, some of which are anticipated to release funding back into the overall model contingency.

6.0 PROJECTS ON SITE / UNDER CONSTRUCTION

6.1 Demolition of Former St Stephen's High School:

The Contractor took possession of the site on 1st October to originally complete by mid-January 2019. The demolition work has been completed with the remaining processing / crushing of demolition material projected to be complete by mid-March. The Client Services and Technical Services teams continue to monitor progress and are liaising with River Clyde Homes in respect of handover / access to the cleared site.

6.2 St Mary's Primary School Refurbishment & Extension:

The Contractor took possession of the site in early November with a formal start date of 19th to complete in November 2019. The Contractor has completed the internal soft strip of the existing building with internal wall lining framing works now commenced and structural alteration works progressing. The existing roof has been stripped with new slating work imminent. External walls have been prepared ahead of specialist cleaning work which will commence shortly. Groundwork and foundations are progressing in connection with the new extension with steelwork programmed for delivery in March. Removal and replacement of existing windows is also programme to commence in March. The Contractor is currently reporting on programme for the extension element of the works and slightly behind programme for the existing building element of the work due to additional internal structural works identified as part of the early stripping out and partial demolition. Engagement with the Head Teacher and wider stakeholders will continue as the project is progressed through the construction stage.

6.3 Gourock Primary School Extension:

The Gourock Primary School Extension project is being 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. As previously reported the temporary modular accommodation works commenced in November and were completed mid-December 2018. The transfer of two classrooms and the administration/office areas was completed over the February mid-term holiday period. The main contract enabling works commenced on 11th February with formal start on 25th February to complete in December 2019. Engagement with the Head Teacher and wider stakeholders will continue as the project is progressed through the construction stage.

7.0 PROJECTS AT BRIEFING/DESIGN/PRE-CONSTRUCTION STAGE

7.1 Hillend Children's Centre Refurbishment:

The January 2019 Committee approved the revised scope and proposals for the Hillend project. 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. The detail design is currently being progressed to allow preparation of tender documents. Formal planning application has been submitted with Building warrant drawings in progress. The Client Services Team continue to liaise with the Early Years Service and Centre staff on the planned decant ahead of the anticipated construction phase which is now projected to commence summer 2019.

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 reworking 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 covers the infrastructure and capital

funded elements of the expansion plan which are summarised in the sections below. As previously noted, 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 £5.98m to Inverclyde Council as part of the overall 1140 hours funding with the below yearly spend allocation. The expenditure profile based on the Council's delivery programme is reflected in Appendix 1. Any yearly over or underspends will be contained within the overall £5.98m 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

Completed Projects

Project/Establishment Name	Work Completed	Operational
Blairmore Nursery Expansion (2-3's)	April 2018	August 2018
St Joseph's Primary School Nursery Class (2-3's and 3-5's)	December 2018	January 2019
St Francis Primary School Nursery Class (2-3's and 3-5's)	December 2018	January 2019

Projects at Briefing/Design/Pre-Construction Stage

Craigmarloch School – The proposals involve the alterations/adaptation of existing accommodation to provide a Nursery Class. The Client Services Team and Early Years Service have scoped of the works and a formal brief is being prepared for issue to allow works to be taken forward and completed during the summer 2019 holiday period. The planned operational date is now August 2020.

Gourock YAC – The proposals involve the alterations/adaptation of part existing accommodation within the building to provide an early years facility. This accommodation is currently used by Wellington Children's Centre which provides a registered out of school care service. The Client Services Team and early Years Service have developed outline proposals which will now allow further engagement with the building users prior to issue of a formal brief. Works will be taken forward and completed ahead of the planned operational date in August 2020.

8.4 NEW BUILD PROJECTS:

Projects at Briefing/Design/Pre-Construction Stage

Larkfield Children's Centre – The proposals involve the provision of a new build replacement for an expanded service at Larkfield Children's Centre which currently operates from a wing of the former Sacred Heart Primary School building scheduled to become surplus following the current use by St Mary's Primary School. The project is being progressed via hub West Scotland with the design process now progressing through hub stage 1 which is anticipated to be complete by early March. The current programme is based on design and construction works being progressed to allow a planned operational date in August 2020 subject to completion of the St Mary's Primary School project.

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 use of land around the existing Centre including that currently occupied by the existing Park Farm Community Centre building. The project is being progressed via hub West Scotland with the design process now progressing through hub stage 1 which is anticipated to be complete by early March. The Client Services Team and Design Team are currently engaging Planning in respect of the proposals ahead of formal Planning application. The current programme is based on design and construction works being progressed to allow a planned operational date in August 2020.

8.5 OUTDOOR PROJECTS:

Completed Works

Binnie Street Children's Centre – Provision of additional WCs within the existing underbuilding accessed from the existing external play space. This work commenced in January 2019 through the Council's Building Services Unit and has now been completed.

Projects at Briefing/Design/Pre-Construction Stage

The following projects involve the enhancement of existing external environments through provision of covered outdoor space / play structures and where necessary including additional WC provision:

Blairmore Nursery – Outline brief prepared and issued to PPP FM provider. Proposals currently being refined in consultation with the Nursery Head Teacher and Early Years Service. Planned operational date August 2019.

Binnie Street Children's Centre – Tender documents being prepared for external covered space / play structure. Currently operating at expanded capacity.

Rainbow Family Centre – Tender documents being prepared for external covered space / play structure. Planned operational date August 2019.

Gibshill Children's Centre – Proposals being developed for the provision of additional WCs accessed from the existing external play space and external covered space / play structure. Technical Services section to develop the detailed design to tender stage. Planned operational date August 2019.

Kilmacolm Primary School – Tender documents being prepared for external covered space / play structure incorporating WCs. Planned operational date August 2019.

Wemyss Bay Primary School – Tender documents being prepared for external covered space / play structure incorporating WCs. Minor boundary fencing alteration works were completed in January 2019 ahead of the main project works. Planned operational date August 2019.

9.0 IMPLICATIONS

Finance

9.1 The expenditure at 31st January 2019 is £7.253m from a budget of £9.912m. This is expenditure of 73.17% of the approved budget (82.10% of the revised projection) after 83.33% of the year.

9.2 The Committee is requested to note the net projected slippage of £1.078m (10.88%) predominantly in connection with the delays experienced in the procurement of the St Mary's PS Refurbishment and Extension, the Gourrock PS Extension and the Hillend Refurbishment projects which have been partially offset by minor acceleration across other budget lines as outlined in 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 and Young People Act and Free School Meals.
- Capital allocation received in respect of Early Learning and Childcare (ELC) – 1140 Hours Expansion.

The current budget is £46.582m, made up of £46.557m SEMP Supported Borrowing / Government Grant Funding and £25K Non-SEMP Supported Borrowing. The Current Projection is £46.582m.

Education & Communities	Approved Budget £000	Current Position £000	Overspend / (Underspend) £000
Total School Estate	46,557	46,557	-
Total Non School Estate	25	25	-
Total	46,582	46,582	-

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 February 2019. (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

1	2	3	4	5	6	7	8	9	10	11
Est Total Cost	Actual to 31/03/18	Approved Budget 2018/19	Revised Est. 2018/19	Actual to 31/01/19	Est. 2019/20	Est. 2020/21	Future Years	Start Date	Original Completion Date	Current Completion Date
£000	£000	£000	£000	£000	£000	£000	£000			
SEMP Projects										
Demolish St Stephens HS	500	0	0	0	0	0	0	Oct-18	Jan-19	Mar-19
Glenpark Early Learning Centre - New Build	3,355	515	627	627	28	0	0	Aug-17	May-18	Jun-18
Glenbrae Children's Centre - Aberfoyle Rd Refurbishment	1,047	602	473	436	89	0	0	Oct-17	May-18	Jul-18
Hillend Children's Centre - Refurbishment	1,266	7	57	11	1,152	50	0	-	-	-
Larkfield Children's Centre - Upgrade	100	100	0	0	0	0	0	-	-	-
Free School Meals Capital Grant	60	34	26	23	3	0	0	-	-	-
Lifecycle Fund	6,285	1,918	662	704	610	2,957	0	Apr-14	-	Mar-21
Balance of Contingency	0	0	12	0	0	0	0	-	-	-
Moorfoot PS Refurbishment	5,047	4,232	692	748	23	0	0	Apr-17	Apr-18	Jun-18
Lady Alice PS - Refurbishment	3,998	2,178	1,401	1,820	0	0	0	Jun-17	May-18	Aug-18
St Ninian's PS - New Build	9,180	6,433	2,639	2,468	247	0	0	Jun-17	Oct-18	Nov-18
Gourrock PS - Extension	2,056	38	594	175	120	1,679	164	Feb-19	-	Dec-19
St Mary's PS - Refurbishment & Extension	6,591	324	1,891	1,200	199	4,836	231	Nov-18	-	Nov-19
Demolish Kelly Street CC	80	0	0	0	0	80	0	-	-	-
Demolish Sacred Heart PS	266	0	0	0	0	266	0	-	-	-
Complete on site	771	423	152	20	15	328	0	-	-	-
TOTAL SEMP	40,602	19,372	9,565	8,487	7,171	4,076	0			
Early Learning & Childcare Expansion (1140hrs) Projects										
Refurbishment - St Francis PS Nursery Class	187	93	82	82	21	12	0	Feb-18	Jun-18	Dec-18
Refurbishment - St Joseph's PS Nursery Class	215	83	100	100	6	32	0	Feb-18	Jun-18	Dec-18
Refurbishment - Blairmore Nursery Expansion	36	1	25	25	24	10	0	Apr-18	Apr-18	Apr-18
Refurbishment - Craigmarnoch/Gourrock YAC	252	0	0	0	48	204	0	-	-	-
New Build - Larkfield CC/Park Farm (Rainbow FC)	4,650	0	80	80	16	1,726	50	-	-	-
Outdoor - Blairmore/Binnie St/Gibhill/Rainbow/Kilmacollm/Wemyss Bay	640	0	60	60	15	556	24	-	-	-
TOTAL ELC EXPANSION	5,980	177	347	347	82	3,022	50			
TOTAL ALL PROJECTS	46,582	19,549	9,912	8,834	7,253	7,098	50			