
Report To:	Education & Communities Committee	Date:	5 November 2019
Report By:	Corporate Director Education, Communities & Organisational Development and Chief Financial Officer	Report	EDUCOM/86/19/EM
Contact Officer:	Eddie Montgomery	Contact No:	01475 712472
Subject:	Education Capital Programme 2019 – 2023 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 March 2019 Committee and the Capital Programme approved in March 2019. The programme covers the period 2019/23.
- 2.3 Overall, the Committee is projecting to contain the costs of the 2019/23 Capital Programme within available budgets.
- 2.4 Expenditure at 3rd October 2019 is 27.52% of the 2019/20 approved budget (19.84% of the revised projection). Net slippage of £1.694m (16.82%) is currently being reported in connection with the pre-construction/design stage delays experienced on the Hillend Refurbishment project/1140Hrs projects at Larkfield and Park Farm (Rainbow) and the construction stage delays on the Gourrock Primary School extension project which have only partially been offset by projected acceleration of lifecycle expenditure. This is an increase of £495K (4.91%) 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.

Ruth Binks
Corporate Director Education,
Communities & Organisational
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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 12th March 2019 and the allocation of resources approved by the Inverclyde Council on 21st March 2019.
- 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 current programme and all projects in 2020. The Education Capital Programme detailed in this report shows details of projects which will incur expenditure up to March 2023.

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. It should be noted that a number of the projects below have passed the original end of defect liability period however remain to be formally concluded due to some outstanding works yet to be completed by the Contractor(s). 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

6.0 PROJECTS ON SITE/UNDER CONSTRUCTION

6.1 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 originally complete in November 2019. As previously reported to the Committee the Contractor has been granted extensions of time resulting in a revised completion date at the end of January 2020. Progress on the existing building continues with all structural works and floor reinstatement complete. All main rooms on first, second and third floors are complete to final decoration stage with the exception of fixed furniture and sanitary fittings. The new lift shaft is substantially complete and partition work is ongoing within the ground floor. Within the new extension the underfloor heating work is complete with screed on-going. Internal blockwork is complete with external cladding and brickwork in progress. Progress is being monitored closely as the project progresses on site. Engagement with the Head Teacher and wider stakeholders will continue as the project is progressed towards

completion.

6.2 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 Contractor experienced delay early in the contract due to ground conditions, existing utilities, and delivery of the structural steel frame for the extension. The steel frame commenced mid-July and is now completed with the superstructure progressing to allow the extension to progress to wind and weathertight status. Further internal alterations are planned for over the October holiday period to minimise disruption to the school. As previously advised, an extension of time request has been submitted by the Contractor which is being assessed however this has not yet been fully resolved. Work is ongoing in respect of reviewing the programme and phasing to allow the extension element to complete and follow on with the alterations to the current kitchen area. 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 which addresses a 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 and Hillend are now operating from this location having completed the transfer in early July during the summer holiday period. Planning approval for the main project has been received with building warrant application submitted. Tender documents are nearing completion with tender issue now anticipated at the end of October. Site start will be subject to tender return, evaluation and formal acceptance of contract. The Client Services Team continues to liaise with the Early Years Service and Centre staff ahead of commencement of the main project.

7.2 Former Kelly Street Children's Centre Demolition:

Planning approval has now been received addressing demolition of the existing building, removal of trees and proposals for outdoor space to be created for use by the adjacent St Mary's Primary School currently undergoing refurbishment and extension (6.1 above). Tenders have been returned for the demolition works with service disconnections progressing. The detail design for the outdoor space is currently being progressed to allow tenders to be issued.

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 minor alterations/adaptation of existing accommodation to provide a Nursery Class. The Client Services Team and Early Years Service have scoped the works with documents prepared to allow pricing by the Council's Building Service Unit. Works are now proposed to be taken forward and completed during the Easter or Summer 2020 holiday period ahead of the planned operational date in 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. It is proposed to utilise the former Gourock I-Youth zone property adjacent to Gamble Halls as temporary decant for the out of school care service during the works. The Client Services Team and early Years Service have developed proposals through engagement with the building users and agreed the formal brief which has been issued to Technical Services. Survey works on the existing building have been taken forward with design works progressing. Subject to progression of the design, it is anticipated that work could commence late 2019/early 2020 to complete by Spring 2020 ahead of the planned operational date in August 2020.

8.4 NEW BUILD/EXTENSION 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 being progressed through hub stage 2 towards market testing and financial close. The formal Planning application and first stage Building Warrant submissions have been made. As previously reported, the current programme will not achieve completion in time to allow operation by August 2020 and commencement of the works on site is also linked with the completion of the St Mary's Primary School project. Subject to achieving financial close and the ability to commence works in March 2020, a completion is projected in November 2020 which would allow operation in December 2020. The requirement to offer expanded capacity as of August 2020 could be temporarily met through use of the modular accommodation at the former Sacred Heart decant facility until such time as the new Larkfield building is operational.

Park Farm (Rainbow Family Centre) – The proposals involve the provision of a new build expansion/extension which will operate in tandem with the existing Rainbow Family Centre. As previously reported, the project has experienced some delay in achieving approval in principle via Planning however this has now been addressed and the project has achieved completion of hub Stage 1 and commenced Stage 2 detail design. Formal Planning application and first stage Building Warrant submissions are imminent. As previously reported, the current programme will not achieve completion in time to allow operation by August 2020 and it is intended to align completion and site programme with the Larkfield project above as far as is practicable. The requirement to offer expanded capacity as of August 2020 could be met through temporary use of other accommodation within the Centre until such time as the expanded provision/accommodation is available.

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 was completed in March 2019. The outdoor space element commenced and completed in June 2019.

Kilmacolm Primary School – Provision of outdoor covered space including WC's. Advance services connection works were completed in early April 2019 ahead of the main project works. Main contract works commenced on site early July and completed at the end of September 2019. Care Inspectorate registration complete with operation planned after October holiday period.

Wemyss Bay Primary School – Provision of outdoor covered space including WC's. Advance services connection works were completed in early April 2019 ahead of the main project works. Main contract works commenced on site early July and completed at the end of September 2019. Care Inspectorate registration complete with operation planned after October holiday period.

Projects On Site/Under Construction

Blairmore Nursery – Works commenced in August and are projected to complete by the end of the October holiday period.

Rainbow Family Centre – Works commenced mid-October to complete by the end of November.

Gibshill Children's Centre – Works commenced in August with first phase involving outdoor unit which is now complete. Second phase works involving provision of

additional WCs accessed from the existing external play space via a small extension, commenced early October to complete mid-November.

9.0 IMPLICATIONS

Finance

- 9.1 The expenditure at 3rd October 2019 is £2.772m from a budget of £10.072m. This is expenditure of 27.52% of the approved budget (35.16% of the revised projection) after 50% of the financial year.
- 9.2 The Committee is requested to note the net projected slippage of £2.189m (21.73%) in connection with the delays experienced in the pre-construction/design stages of the Hillend Refurbishment project and the 1140Hrs projects at Larkfield and Park Farm (Rainbow), with construction stage delay impact on the Gourock Primary School extension project which have only been partially offset by projected acceleration of lifecycle expenditure as outlined in Appendix 1.
- 9.3 The current budget position reflects the following:
- SEMP model approved by the Committee in March 2019.
 - Capital allocation received in respect of Early Learning and Childcare (ELC) – 1140 Hours Expansion.

The current budget is £26.986m from SEMP Supported Borrowing/Government Grant Funding. The Current Projection is £26.986m.

Education & Communities	Approved Budget £000	Current Position £000	Overspend / (Underspend) £000
Total School Estate	26,986	26,986	-
Total Non School Estate	0	0	-
Total	26,986	26,986	-

- 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?

<input type="checkbox"/>	YES (see attached appendix)
<input checked="" type="checkbox"/>	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, Policy 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 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

Project Name	1	2	3	4	5	6	7	8	9	10	11	12
	Est Total Cost	Actual to 31/3/19	Approved Budget 2019/20	Revised Est. 2019/20	Actual to 03/10/19	Est 2020/21	Est 2021/22	Est 2022/23	Future Years	Start Date	Original Completion Date	Current Completion Date
	£000	£000	£000	£000	£000	£000	£000	£000	£000			
SEMP Projects												
Hillend Children's Centre - Refurbishment	1,266	54	1,162	231	12	981	0	0	0	-	-	-
Lifecycle Fund	10,193	2,981	281	500	90	2,651	1,953	2,108	0	Apr-14	-	Mar-23
Gourock PS - Extension	2,056	311	1,581	1,400	402	345	0	0	0	Feb-19	Dec-19	Mar-19
St Mary's PS - Refurbishment & Extension	6,591	1,800	4,560	4,560	1,903	231	0	0	0	Nov-18	Nov-19	Jan-20
Demolish Kelly Street CC	80	0	0	40	7	40	0	0	0	-	-	-
Demolish Sacred Heart PS	266	0	0	0	0	266	0	0	0	-	-	-
Complete on site	554	0	257	257	3	297	0	0	0			
TOTAL SEMP	21,006	5,146	7,841	6,988	2,417	4,811	1,953	2,108	0			
Early Learning & Childcare Expansion (1140hrs) Projects												
Refurbishment - Craigmarloch/Gourock YAC	252	0	0	48	0	204	0	0	0	-	-	-
New Build - Larkfield CC/Park Farm (Rainbow FC)	4,650	147	1,659	275	21	4,178	50	0	0	-	-	-
Outdoor - Blairmore/Binnie St/Gibshill/Rainbow/Kilmacolm/Wemyss Bay	640	74	542	542	334	24	0	0	0	-	-	-
ELC Complete on site	438	408	30	30	0	0	0	0	0			
TOTAL ELC EXPANSION	5,980	629	2,231	895	355	4,406	50	0	0			
TOTAL ALL PROJECTS	26,986	5,775	10,072	7,883	2,772	9,217	2,003	2,108	0			