
Report To:	Education & Communities Committee	Date:	10 March 2020
Report By:	Corporate Director Education, Communities & Organisational Development and Chief Financial Officer	Report	EDUCOM/22/20/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 21st January 2020 is 56.85% of the 2019/20 approved budget (74.62% of the revised projection). Net slippage of £2.310m (23.82%) is currently being reported in connection with the pre-construction / design / tender stage delays experienced on the Hillend Refurbishment project / 1140Hrs projects at Larkfield and Park Farm (Rainbow) and the construction stage delays on the Gourrock and St Mary's Primary School refurbishment/extension projects which have only partially been offset by projected acceleration of lifecycle expenditure. This is an increase of £195K (2.01%) 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 use of powers delegated to the Chief Executive to progress a formal acceptance for the Hillend Children's Centre Refurbishment project and separate report on the agenda for this Committee.
- 3.3 That the Committee notes the separate report on the agenda on the phased replacement of interactive whiteboards and the proposed allocation of £490k lifecycle funding.

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 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 was approved at the Council budget setting meeting of 10th March 2016. 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 all of the projects below have passed the original end of defect liability period however they remain to be formally concluded due to a limited number of outstanding items 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
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 Committee the Contractor had been granted extensions of time resulting in a revised completion date at the end of January 2020 with further delay intimated by the Contractor and the subject of a further formal extension of time request which is currently being assessed. The works are progressing towards completion with activity across all areas of the site/building and with weekly progress reviews being undertaken by Technical Services/Client Services in conjunction with the Contractor's senior management. The Contractor's current programme is indicating a completion at the end of April 2020 (as verbally reported to the last Committee). It should be noted that the project is likely to require additional funding related to the issues noted with unforeseen additional works and the prolongation of the contract however this will be subject to the negotiation and agreement of the final account with the Contractor post completion of the works. The transfer of the school is now anticipated to be in May with exceptional closure days yet to be confirmed and the timing of which will be informed by progress on site over the

next month or so. 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, in addition to the delay experienced early in the contract due to ground conditions, existing utilities, and delivery of the structural steel frame for the extension a further extension of time request has been submitted by the Contractor which has been partially awarded and with the remainder subject to ongoing assessment. Although the weather conditions have been particularly challenging early in the new year, the Contractor is still working towards completion of the extension element by Easter 2020. Discussions are still ongoing regarding a possible diversion of an existing water main identified in the earlier phases of the works however difficulty is being experienced due to a lack of engagement by Scottish Water. This element is not currently impacting the progression of the main contract works. It should be noted that the project is likely to require additional funding related to the issues previously reported with unforeseen additional works and the prolongation of the contract however this will be subject to the negotiation and agreement of the final account with the Contractor post completion of the works. The Contractor's current programme is targeting completion of the overall project in early June 2020. Engagement with the Head Teacher and wider stakeholders will continue as the project is progressed through the construction stage.

6.3 Former Kelly Street Children's Centre Demolition:

The Contractor has completed the internal soft strip works with full demolition slightly delayed due to the co-ordination of works on the adjacent St Mary's project. The detailed design for the outdoor space is currently being finalised with final site levels and ground condition information awaited pending the removal of the existing building.

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 with Hillend currently operating from this location. As previously reported, tenders were returned in November. The evaluation process is now complete and the contract has now been awarded. A separate report with further detail confirming use of powers delegated to the Chief Executive to progress a formal acceptance is included on the agenda of this Committee.

8.0 SCHOOL ESTATE LIFECYCLE SUMMARY 2019/20

8.1 The School Estate Funding Model and capital programme include allowances for lifecycle works to address the ongoing 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 most recent external condition surveys were undertaken via Aecom between October and November 2019 with all reports now submitted and under review by Property Services. These surveys and Client Services assessment will inform the allocation of

future lifecycle funding across the estate. The summary below provides an overview of the areas of expenditure (projected at £800K in 2019/20 from Appendix 1):

Inverkip PS

- Boundary fencing replacement
- Site drainage improvements
- MUGA re-surfacing

Kings Oak PS

- Main kitchen equipment/finishes upgrade.
- Phased floor covering replacement
- Minor door access upgrade / alterations
- Site lighting replacement (LED)

Newark PS

- Partial redecoration (Gym/Assembly Halls)
- Partial new flooring (Nursery)
- Smoke curtain replacement/alterations

Kilmacolm PS

- Boundary fencing replacement

St Francis PS

- Main kitchen equipment/finishes upgrade.
- Various internal alterations/minor refurbishment
- Fire alarm panel upgrade

St Joseph's PS

- Main kitchen equipment/finishes upgrade.
- Pupil toilet refurbishment
- New water main
- Various internal alterations/minor refurbishment
- External door upgrade/replacement
- Partial resurfacing of car park.

St Michael's PS

- Gym hall timber floor refurbishment
- Partial flooring replacement
- Partial redecoration (stairwell)
- External door upgrade/replacement

Wemyss Bay PS

- Façade/render cleaning
- Partial boundary fencing replacement

Whinhill PS

- Partial redecoration (corridors/circulation)

Inverclyde Academy

- Façade/render/car park SUDS pavements cleaning
- Building Management System LAN equipment upgrade
- Sprinkler system pump replacement
- Timber floor refurbishment/lifecycle works
- Phase floor covering replacement

St Columba's HS

- Partial redecoration (PE Corridor/circulation/stairwells)
- Gym hall (small) timber floor refurbishment/lifecycle works

Port Glasgow Community Campus

- Science store ventilation upgrade
- Phased external building mounted lighting replacement (LED)
- Partial redecoration (Craigmarloch Dining Area)
- Door access equipment upgrade/replacement

Various Early Years Establishments (Binnie Street/Gibshill/Wellpark/Rainbow)

- Minor internal alterations/refurbishment
- Phased floor covering replacement
- Door access upgrade

8.2 The Committee is requested to note the separate report, also on the agenda for this Committee, addressing the proposed phased replacement of interactive whiteboards across the school estate with the intention to allocate £490k from the school estate lifecycle fund as part funding for a first phase.

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

9.1 The Scottish Government's plan to increase the entitlement of early learning and childcare from 600 hours to 1140 hours by 2020 requires substantial levels of investment in workforce and infrastructure to support the expansion. The expansion is being 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.

A full reworking of the plan was undertaken with submission of a revised financial template in March 2018 with the revised plan 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.

9.2 The Scottish Government confirmed a total Capital grant of £5.98m to Inverclyde Council as part of the overall 1140 hours funding with the annual spend allocation profile outlined in the table below. The actual expenditure profile based on the Council's delivery programme is reflected in Appendix 1. Any annual 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

9.3 REFURBISHMENT PROJECTS

Completed Projects

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

Projects at Briefing/Design/Pre-Construction Stage

Craigmarloch School – The proposals have been revisited to address minor alterations/adaptation of existing accommodation to provide two shared Primary 1/Early Years rooms. 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 will be taken forward and completed during the Summer 2020 holiday period ahead of the planned operational date in August 2020.

Projects On Site/Under Construction

Gourock YAC – The proposals involve the alterations/adaptation of part existing accommodation within the building. Part of the building is currently used by Wellington Children's Centre which provides a registered out of school care service. Wellington are currently operating this service from the former Gourock I-Youth zone property adjacent to Gamble Halls and part of the Gamble Halls during the works. Work commenced on site in January and is anticipated to be substantially completed by the end of April ahead of the planned operational date in August 2020.

9.4 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 towards the conclusion of the market testing phase in preparation for financial close. The formal Planning Application is anticipated to be approved at the March Planning Board with first stage Building Warrant in progress. As previously reported, the current programme will not achieve completion in time to allow operation by August 2020. Commencement of the works on site is linked with the completion of the St Mary's Primary School project which is behind programme as noted in 6.1 above. The site start is also dependent on the transfer of land from River Clyde Homes which is being progressed through Property Assets/Legal Services. Subject to achieving financial close and the ability to commence works circa May 2020, a completion is projected in 1st Quarter 2021. The requirement to offer expanded capacity as of August 2020 is planned to be met temporarily through use of the modular accommodation at the former Sacred Heart decant facility until such time as the new Larkfield building is operational. The Care Inspectorate has approved this arrangement subject to formal application for registration and completion of minor works.

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. The project is being progressed via hub West Scotland with the design process now being progressed through the market testing phase towards financial close. The formal Planning Application and first stage Building Warrant submissions have been made with formal responses awaited. The demolition of the existing Park Farm Community facility is planned in the current financial year with building warrant submitted and services disconnections partially completed. As previously reported, the current programme will not achieve completion in time to allow operation by August 2020. Subject to achieving financial close and the ability to commence works circa May 2020, a completion is projected in 1st Quarter 2021. The requirement to offer expanded capacity as of August 2020 is planned to be met through temporary use of other accommodation within the existing Rainbow Centre until such time as the expanded provision / accommodation is available. This Care Inspectorate has approved this arrangement with registration in place.

9.5 OUTDOOR PROJECTS:

Completed Works

Project/Establishment Name	Work Completed
Binnie Street Children's Centre	June 2019
Kilmacolm Primary School (Nursery Class)	September 2019
Wemyss Bay Primary School (Nursery Class)	September 2019
Blairmore Nursery	October 2019
Rainbow Family Centre	December 2019
Gibshill Children's Centre	February 2020

10.0 IMPLICATIONS

10.1 Finance

The expenditure at 21st January 2020 is £5.513m from a budget of £9.698m. This is expenditure of 56.85% of the approved budget (74.62% of the revised projection) after 83.33% of the financial year.

The Committee is requested to note the net projected slippage of £2.31m (23.82%) in connection with the delays experienced in the pre-construction / design / tender stages of the Hillend Refurbishment project and the 1140Hrs projects at Larkfield and Park Farm (Rainbow); with construction stage delay impact on the Gourrock and St Mary's Primary School refurbishment/extension projects which have only been partially offset by projected acceleration of lifecycle expenditure as outlined in Appendix 1.

The current budget position reflects the following:

- SEMP model approved by 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	-

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

10.2 Legal

There are no legal issues.

10.3 Human Resources

There are no human resources issues.

10.4 Equalities

(a) Has an Equality Impact Assessment been carried out?

	YES
X	NO - This report does not introduce a new policy, function or strategy or recommend a substantive change to an existing policy, function or strategy. Therefore, no Equality Impact Assessment is required.

(b) Fairer Scotland Duty

If this report affects or proposes any major strategic decision:-

Has there been active consideration of how this report's recommendations reduce inequalities of outcome?

	YES – A written statement showing how this report's recommendations reduce inequalities of outcome caused by socio-economic disadvantage has been completed.
X	NO

(c) Data Protection

Has a Data Protection Impact Assessment been carried out?

	YES – This report involves data processing which may result in a high risk to the rights and freedoms of individuals.
X	NO

10.5 Repopulation

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, Policy 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 2020. (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 21/01/20	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	927	59	59	1,003	150	0	0	-	-	-
Lifecycle Fund	10,193	2,981	381	800	551	1,000	2,653	2,759	0	Apr-14	-	Mar-23
Gourock PS - Extension	2,056	311	1,581	1,225	1,055	500	20	0	0	Feb-19	Dec-19	Jun-20
St Mary's PS - Refurbishment & Extension	6,591	1,800	4,560	4,060	3,170	700	31	0	0	Nov-18	Nov-19	Apr-20
Demolish Kelly Street Children's Centre	80	0	0	40	13	40	0	0	0	-	-	-
Demolish Sacred Heart Primary School	266	0	0	0	0	0	266	0	0	-	-	-
Complete on site	554	0	0	157	84	0	397	0	0	-	-	-
TOTAL SEMP	21,006	5,146	7,449	6,341	4,932	3,243	3,517	2,759	0			
Early Learning & Childcare Expansion (1140hrs) Projects												
Refurbishment - Craigmarloch/Gourock YAC	252	0	48	175	6	57	20	0	0	-	-	-
New Build - Larkfield CC/Park Farm (Rainbow FC)	4,650	147	1,659	300	55	3,853	350	0	0	-	-	-
Outdoor - Blairmore/Binnie St/Gibshill/Rainbow/Kilmacolm/Wemyss Bay	640	74	542	542	490	24	0	0	0	-	-	-
ELC Complete on site	438	408	0	30	30	0	0	0	0	-	-	-
TOTAL ELC EXPANSION	5,980	629	2,249	1,047	581	3,934	370	0	0			
TOTAL ALL PROJECTS	26,986	5,775	9,698	7,388	5,513	7,177	3,887	2,759	0			