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<b>Report To:</b>	<b>Education &amp; Communities Committee</b>	<b>Date:</b>	<b>3 November 2020</b>
<b>Report By:</b>	<b>Corporate Director Education, Communities &amp; Organisational Development and Chief Financial Officer</b>	<b>Report</b>	<b>EDUCOM/55/20/EM</b>
<b>Contact Officer:</b>	<b>Eddie Montgomery</b>	<b>Contact No:</b>	<b>01475 712472</b>
<b>Subject:</b>	<b>Education Capital Programme 2020 to 2023 - Progress</b>		

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## **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 2020. The programme covers the period 2020/23.
- 2.3 Overall, the Committee is projecting to contain the costs of the 2020/23 Capital Programme within available budgets.
- 2.4 The current COVID-19 pandemic has had a significant impact on the capital programme resulting in suspension/delay of a number of projects and associated slippage. As a result officers have reviewed and re-phased the 2020/21 capital budget. The restated 2020/21 Capital budget was approved by the Policy & Resources Committee on the 11<sup>th</sup> August 2020.
- 2.5 Expenditure at 30<sup>th</sup> September 2020 is 22.84% of the 2020/21 restated approved budget (20.82% of revised projection), there is net advancement of £314K (9.72%) being reported.

## **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  
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 last reported review of the School Estate Funding Model approved by the Committee at the meeting of 12<sup>th</sup> March 2019 and the allocation of resources approved by the Inverclyde Council on 12<sup>th</sup> March 2020.
- 4.2 The School Estate Strategy approved by the Committee has delivered a comprehensive programme of new and refurbished schools which has addressed the modernisation of the Council's entire school stock. The Education Capital Programme detailed in this report provides details of the final major capital projects which will incur expenditure up to March 2023.
- 4.3 The current COVID-19 pandemic has had a significant impact on the capital programme resulting in suspension/delay of a number of projects and associated slippage. As a result officers have reviewed and re-phased the 2020/21 capital budget. The restated 2020/21 Capital budget was approved by the Policy & Resources Committee on the 11<sup>th</sup> August 2020.
- 4.4 In addition to the impact of the timing of delivery of the capital programme which has resulted in the restatement of the budget cost increases of £2.744m across the Council have been identified and funding confirmed by Policy & Resources Committee on 11th August.

## **5.0 PROJECTS ON SITE / UNDER CONSTRUCTION**

### **5.1 St Mary's Primary School Refurbishment & Extension:**

The Contractor took possession of the site in early November 2018 with a formal start date of 19<sup>th</sup> to originally complete in November 2019. As previously reported to Committee the Contractor had been granted extensions of time resulting in revised completion dates with the most recent pre-COVID estimate indicating that a completion was anticipated in May 2020. The Contractor ceased works on site on 24<sup>th</sup> March following Government advice on the cessation of all non-essential construction activity and lock down procedures connected with COVID-19. Work restarted on site on 22<sup>nd</sup> June on a soft start basis following the Scottish Government direction on ability to commence the phased recovery of the construction sector. The Contractor is closing out the remaining items on site with formal certification in progress. The school will transfer back to the completed facility after the October holiday period with the indicative dates reported to the last Committee now confirmed as below:

- Last day in Sacred Heart Decant Facility – Friday 9th October 2020.
- October Holidays – Saturday 10th to Sunday 18th October 2020.
- In-Service Day – Monday 19th October 2020.
- Exceptional Closure Days – Tuesday 20th to Thursday 22nd October 2020.
- First day in re-opened St Mary's PS – Friday 23rd October 2020.

The Committee should note that the final account negotiations are still ongoing with the formal extension of time process not yet concluded in respect of COVID and non-COVID related delays on the project. It is anticipated that additional funding will be required with a further report to be provided to Committee when the final account has been agreed.

## **5.2 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 main Contractor (J.B. Bennett) ceased work on site on 25<sup>th</sup> February and entered Administration. The site was secured with arrangements made where possible to address temporary works to protect the fabric of the partially completed extension. Following confirmation from the Administrators that they did not intend to arrange for completion of the contract works, a completion works contract is required to address the outstanding works. The project consultant design team had been valuing the works completed, preparing schedules of defective and incomplete work, and preparing an inventory of materials on site in preparation for a completion works contract when the COVID lockdown measures were introduced. The work in connection with the re-tender is progressing slightly behind the date noted to last Committee with tender issue anticipated by the end of October. Engagement with the Head Teacher and wider stakeholders will continue as the project is progressed towards recommencement of works on site.

## **5.3 Former Kelly Street Children's Centre Demolition / Landscaping Works:**

The demolition works element of the project is complete as previously reported. A solid hoarding has been erected to separate the former Kelly Street Children's Centre site from the main St Mary's site which will remain in place for the duration of the landscaping works project. The January 2020 Committee were advised that additional funding would be required to address the cost of the final scheme to bring the land into use as part of the St Mary's Primary School site, and approved the request for allocation of funding from the SEMP lifecycle budget subject to a competitive tender process. Tender for the landscaping works have now been returned and evaluated and a formal acceptance will be issued upon receipt of the Building Warrant. The Committee is requested to note the allocation of £180K lifecycle funding to supplement the remaining budget from the demolition project.

## **5.4 Hillend Children's Centre Refurbishment:**

The Contractor originally took possession of the site on 23<sup>rd</sup> March 2020 with an original projected contract completion in November 2020. As previously reported, the Contractor ceased works on site on 24<sup>th</sup> March following Government advice on the cessation of all non-essential construction activity and lock down procedures connected with COVID-19. Work restarted on site on 22<sup>nd</sup> June on a soft start basis following the Scottish Government direction on ability to commence the phased recovery of the construction sector. The Contractor is currently progressing on site with steelwork and internal structural alterations ongoing including first fix electrical services. Anticipated completion remains in early 2<sup>nd</sup> Quarter 2021 as previously reported.

## **6.0 INTERACTIVE WHITEBOARD REFRESH**

- 6.1 The March Committee approved a report addressing the proposed phased replacement of interactive whiteboards across the school estate. The COVID lockdown impacted the ability to progress this item during the school summer holiday period. The work is being progressed in two phases with the first phase addressing five primary schools partially completed utilising back shift working after school hours and is projected to complete by the end of the October holiday period. The second phase addressing three secondary schools will be programmed for completion within the current financial year.

## 7.0 SCHOOL ESTATE LIFECYCLE WORKS 2020/21

7.1 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. The recent review of the artificial pitches asset management plan reported to the September Committee will also involve advancement of future years lifecycle funding. The COVID lockdown period has impacted the normal cycle of works with a more limited summer holiday programme, however a back shift / weekend working approach has been employed for single trade works such as redecoration and floor coverings which is allowing works to be progressed with minimal disruption. The summary below provides an overview of the areas of expenditure to date:

### Inverkip PS

- Partial redecoration/flooring (Nursery Class)

### Kings Oak PS

- Partial redecoration (Classrooms / circulation)
- Partial new flooring (Classrooms)

### St Joseph's PS

- Staffroom/Office refurbishment

### St Michael's PS

- Partial flooring replacement (Classrooms)
- External door upgrade/replacement

### Wemyss Bay PS

- Partial LED lighting upgrade (circulation / Gym.Assembly Hall)

### Whinhill PS

- Partial LED lighting upgrade (circulation / Gym.Assembly Halls)

### Inverclyde Academy

- Partial flooring replacement (various areas)
- 3G pitch carpet replacement (tenders returned, acceptance imminent)

### St Columba's HS

- 3G pitch rejuvenation (late Oct/early Nov).

### Port Glasgow Community Campus

- Phased external building mounted lighting replacement (LED)
- Site lighting upgrade to LED.
- Ventilation improvements (Craigmarloch Gym/Drama Area)
- 2G & 3G pitch rejuvenation (currently in progress)

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

- Minor internal alterations/refurbishment
- Phased floor covering replacement
- Partial redecoration

## **8.0 DEVELOPMENT AND IMPLEMENTATION OF 1140 HOURS OF EARLY LEARNING & CHILDCARE**

- 8.1 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. This report covers the infrastructure and capital funded elements of the expansion plan which are summarised in the sections below.
- 8.2 A report was submitted to the Policy & Resources Executive Sub-Committee on 16<sup>th</sup> June 2020 providing an update on the Early Learning and Childcare Expansion Programme. This report noted that on Wednesday 1<sup>st</sup> April 2020 an order revoked the change to the 2014 Children and Young People's Act that requires education authorities to secure 1140 hours of ELC provision for all eligible children from August 2020. This means that there will be no statutory duty for Authorities to provide 1140 hours of early learning and childcare (ELC) from August 2020. The report also noted that given the progress already made in the implementation of 1140 hours, the service has been able to develop contingency plans to ensure that 1140 hours can still be implemented across Inverclyde as of August 2020.
- 8.3 The Scottish Government confirmed a total Capital grant of £5.98m to Inverclyde Council as part of the overall 1140 hours funding. It should also be noted that the March Education & Communities Committee supported the creation of a £600K earmarked reserve to allow a carry forward of underspend in the 2019/20 Early Learning and Childcare revenue budget to support the capital infrastructure projects and projected pressure on the 1140 Hrs Capital grant allocation. This was subsequently approved by the March Policy & Resources Committee. An update on the projected underspend was provided to the Policy & Resources Executive Sub-Committee of 16 June 2020 which added a further £78K to the figure earmarked to support infrastructure developments. Two additional projects were also approved to provide additional capacity adding a further £200K. The total allocation for capital projects is £6.858M as detail in Appendix 1.

### **8.4 INFRASTRUCTURE PROJECTS PROGRESS**

#### **Completed Projects**

<b>Project/Establishment Name</b>	<b>Date Completed</b>
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
Binnie Street Children's Centre (Outdoor)	June 2019
Kilmacolm Primary School Nursery Class (Outdoor)	September 2019
Wemyss Bay Primary School Nursery Class (Outdoor)	September 2019
Blairmore Nursery (Outdoor)	October 2019
Rainbow Family Centre (Outdoor)	December 2019
Gibshill Children's Centre (Outdoor)	February 2020
Craigmarloch School	August 2020

## **Projects On Site/Under Construction**

**Gourock YAC** – The project involved alterations/adaptation of part existing accommodation within the building which was in use by Wellington Children’s Centre who provided a registered out of school care service. Wellington have been temporarily relocated between the former Gourock I-Youth zone property adjacent to Gamble Halls and part of the Gamble Halls during the construction works. Work is now complete on site with formal occupation and Care Inspectorate registration pending issue of Building Standards certification.

**Park Farm (Rainbow Family Centre)** – The proposals involve the provision of a new build extension which will operate in tandem with the existing Rainbow Family Centre. Financial close was achieved on the project in August with works commenced on site on 14<sup>th</sup> September to complete in June 2021. Demolition of the former community facility is complete with the Contractor now progressing the initial groundworks and services connection preparations / alterations.

## **Projects at 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. Financial close was achieved on the project in September with works programmed to commence on site on 19<sup>th</sup> October to complete in June 2021. The second phase of the project addresses the demolition of the former Sacred Heart building which should be complete by the end of 2021.

**Wellpark Children’s Centre** – Additional project funded from earmarked reserve to provide additional capacity in Greenock Central area as update report to the Policy & Resources Executive Sub-Committee of 16<sup>th</sup> June. Works involve internal alterations/adaptation to part of the existing accommodation. Building Warrant submission is imminent with pricing documents being finalised for completion by Building Services. Programme to be finalised upon receipt of warrant.

**Glenpark Early Learning Centre** – Additional project funded from earmarked reserve to provide additional capacity in Greenock West area as update report to the Policy & Resources Executive Sub-Committee of 16<sup>th</sup> June. Works involve the provision of an outdoor teaching space/resource similar to that already undertaken as part of the programme at other facilities. Advance services connection work has been completed with tenders issued for the outdoor unit. Programme to be finalised upon tender return and acceptance.

## **9.0 IMPLICATIONS**

### **9.1 Finance**

The expenditure at 30<sup>th</sup> September 2020 is £738K from a restated approved budget of £3.231M. This is expenditure of 22.84% of the restated approved budget (20.82% of revised projection) after 50% of the financial year. Net advancement of £314K (9.72%) being reported in connection with the lifecycle funding being advanced to address the Kelly Street Site Landscaping project and the progress on the interactive whiteboard refresh. The Committee is requested to note that further advancement is likely to be reported to the next Committee in connection with lifecycle works given the positive progress outlined in section 7.1 above and 3G pitch carpet replacement works planned at Inverclyde Academy.

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 and earmarked reserve from revenue underspend.

The current budget is £29.118M from SEMP Supported Borrowing / Government Grant Funding. The Current Projection is £29.118M.

Education & Communities	Approved Budget £000	Current Position £000	Overspend / (Underspend) £000
Total School Estate	29,118	29,118	-
Total Non School Estate	0	0	-
<b>Total</b>	<b>29,118</b>	<b>29,118</b>	-

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

## 9.2 Legal

There are no legal issues.

## 9.3 Human Resources

There are no human resources issues.

## 9.4 Equalities

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

<input type="checkbox"/>	YES
<input checked="" type="checkbox"/>	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?

<input type="checkbox"/>	YES – A written statement showing how this report's recommendations reduce inequalities of outcome caused by socio-economic disadvantage has been completed.
<input checked="" type="checkbox"/>	NO

(c) Data Protection

Has a Data Protection Impact Assessment been carried out?

X

YES – This report involves data processing which may result in a high risk to the rights and freedoms of individuals.

NO

**9.5 Repopulation**

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

**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 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
	Est Total Cost	Actual to 31/3/20	Approved Budget 2020/21	Revised Est 2020/21	Actual to 30/09/20	Est 2021/22	Est 2022/23	Future Years
	£000	£000	£000	£000	£000	£000	£000	£000
<b>SEMP Projects</b>								
Hillend Children's Centre - Refurbishment Lifecycle Fund	1,484	113	500	500	89	871	0	0
Gourock PS - Extension	2,056	1,483	250	250	35	323	0	0
St Mary's PS - Refurbishment & Extension	6,591	5,949	611	611	425	31	0	0
Demolish Kelly Street Children's Centre	39	23	16	15	15	1	0	0
Kelly Street Site Landscaping (St. Mary's PS)	221	0	41	201	0	20	0	0
Demolish Sacred Heart Primary School	366	0	0	0	0	0	366	0
Interactive Whiteboard Refresh	700	0	75	230	0	470	0	0
Complete on site	407	0	0	0	0	407	0	0
<b>TOTAL SEMP</b>	<b>22,260</b>	<b>11,502</b>	<b>1,893</b>	<b>2,207</b>	<b>713</b>	<b>4,425</b>	<b>3,125</b>	<b>1,001</b>
<b>Early Learning &amp; Childcare Expansion (1140hrs) Projects</b>								
Craigmarloch - Internal Alterations	10	0	10	10	2	0	0	0
Gourock YAC - Internal & External Alterations	275	182	40	73	1	20	0	0
Larkfield Children's Centre - New Build	2,906	260	500	500	1	2,146	0	0
Rainbow Family Centre - Extension	2,389	201	578	545	17	1,643	0	0
Wellpark Children's Centre - Alterations	80	0	80	80	0	0	0	0
Glenpark Early Learning Centre - Outdoor	120	0	120	120	0	0	0	0
ELC Complete on site	1,078	1,068	10	10	4	0	0	0
<b>TOTAL ELC EXPANSION</b>	<b>6,858</b>	<b>1,711</b>	<b>1,338</b>	<b>1,338</b>	<b>25</b>	<b>3,809</b>	<b>0</b>	<b>0</b>
<b>TOTAL ALL PROJECTS</b>	<b>29,118</b>	<b>13,213</b>	<b>3,231</b>	<b>3,545</b>	<b>738</b>	<b>8,234</b>	<b>3,125</b>	<b>1,001</b>
Additional COVID Pressure Allowance	506	0	0	0	0	506	0	0
	<b>29,624</b>	<b>13,213</b>	<b>3,231</b>	<b>3,545</b>	<b>738</b>	<b>8,740</b>	<b>3,125</b>	<b>1,001</b>