
Report To:	Education & Communities Committee	Date:	11 May 2021
Report By:	Corporate Director Education, Communities & Organisational Development	Report No:	EDUCOM/26/21/RB
Contact Officer:	Ruth Binks	Contact No:	01475 712748
Subject:	Education and Communities Committee: performance report for the Education part of the Committee		

1.0 PURPOSE

- 1.1 The purpose of this report is to consider performance updates for the Education part of the Education and Communities Committee.

2.0 SUMMARY

2.1 Education – Period 11 Revenue Budget Monitoring Report

The projected Revenue Budget Outturn for Education as at 28 February 2021 is an underspend of £618,000 which is a decrease in expenditure of £167,000 since the last Committee

The projections include net Covid costs of £5.121 million which will be fully funded by the Council's agreed Covid-19 budget. This is an increase in expenditure of £478,000 since last Committee.

2.2 Education capital report

Overall, the Committee is projecting to contain the costs of the 2020/23 Capital Programme within available budgets. Expenditure at 31 March 2021 is 202.75% of the 2020/21 restated approved budget (100% of revised projection) subject to the final year end accounting process and accruals. Net advancement of £3.320m (102.75%) being reported. This is an increase in net advancement of £1.185m (36.68%) from that reported to the last Committee.

The Committee is requested to note the agreement of the final accounts for the St Mary's Primary School Refurbishment & Extension project and the Lady Alice Refurbishment & Extension project and approve the allocation of funding from existing model resources (complete on site allocation / E&R COVID pressures allowance) to contain the projected over-expenditure. Further detail is attached to this report as Appendices 1(a) & 1(b).

3.0 RECOMMENDATIONS

- 3.1 The Education and Communities Committee is asked to:
- note the contents of this report.

Ruth Binks
Corporate Director
Education, Communities & Organisational Development

4.0 RELEVANT UPDATES

4.1 Education – Period 11 Revenue Budget Monitoring Report

The projected Revenue Budget Outturn for Education as at 28 February 2021 is an underspend of £618,000 which is a decrease in expenditure of £167,000 since the last Committee

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4.1.1 Main areas of underspend are:

Main areas of underspend are:

- An underspend of £485,000 for Facilities Management Catering Supplies due to reduction in number of school meals being produced during Covid-19 pandemic.
- An underspend of £485,000 for Education Catering Recharge as a result of the FM Catering Supplies underspend noted above.
- An underspend of £150,000 for the ASN Review budget due to delays in starting the process.

Main areas of overspend are:

- An overspend of £926,000 for Teachers. Additional costs of £1.167m have been incurred as a result of the Council's response to the Covid-19 pandemic. These costs are partially offset by savings on Supply Teachers.
- An overspend of £141,000 for Non Teacher Employee. An overspend of £257,000 for Facilities Management as a result of additional cleaners employed to deal with Covid-19 is partially offset by additional turn over savings mostly within Early Years and Schools.
- An overspend of £103,000 for Facilities Management Cleaning Materials as a result of additional cleaning required as part of the Council's response to Covid-19.
- An overspend of £510,000 for Facilities Management Catering Resources as a result of payments to Foodbanks and purchase of food items for vulnerable people.
- An overspend of £150,000 for purchase of Personal Protective Equipment (PPE) required in schools.
- An overspend of £650,000 on IT Equipment required for Schools Digital Connectivity as part of Home Learning.
- An overspend of £2.060 million for payments made to families entitled to Free School Meals during school lockdowns and holidays.
- A shortfall in School Meal Income of £704,000 as a result of low uptake of meals as a result of school closures

Earmarked Reserves for 2020/21, excluding those for Asset Plans and Strategic Funds, total £2.359 million of which £1.154 million is projected to be spent in the current Financial Year. As at 28 February 2021 expenditure of £943,000 (81.7%) has been incurred. Spend at 28 February 2021 per profiling was expected to be £1.808 million, therefore slippage to date is £865,000 or 47.8% and relates mainly to the Early Years 1140 Hours earmarked reserve.

Further detail is attached to this report as Appendix 1.

4.2 Education capital report

Overall, the Committee is projecting to contain the costs of the 2020/23 Capital Programme within available budgets. Expenditure at 31 March 2021 is 202.75% of the 2020/21 restated approved budget (100% of revised projection) subject to the final year end accounting process and accruals. Net advancement of £3.320m (102.75%) being reported. This is an increase in net advancement of £1.185m (36.68%) from that reported to the last Committee.

The Committee is requested to note the agreement of the final accounts for the St Mary's Primary School Refurbishment & Extension project and the Lady Alice Refurbishment & Extension project and approve the allocation of funding from existing model resources (complete on site allocation / E&R COVID pressures allowance) to contain the projected over-expenditure. Further detail is attached to this report as Appendices 1(a) & 1(b).

That the Committee notes that the use of powers delegated to the Chief Executive to issue an acceptance for the Gourrock Primary School Extension Completion Works was authorised by Provost Brennan, Councillors Clocherty and Robertson, and the Chief Executive.

4.2.1 PROJECTS COMPLETED ON SITE

Lady Alice Primary School Refurbishment & Extension:

The Committee has previously been advised that final account negotiations were ongoing and that additional funding would be required to address projected over expenditure. Updates were provided from September 2018 through to May 2019 with the majority of over expenditure in previous years. The final account has now been agreed with the Contractor and the final position is summarised in Appendix 1(a). The final position is being contained within the current funding model and existing complete on site allowances.

St Mary's Primary School Refurbishment & Extension:

The Committee has previously been advised that final account negotiations were ongoing and that additional funding would be required to address projected over expenditure. Updates were provided throughout 2020 and early 2021 with the majority of over expenditure in 2020/21. The final account has now been agreed with the Contractor and the final position is summarised in Appendix 1(b). The final position is being contained within the current funding model through a combination of the use of existing complete on site allowances and an allocation of £98k from the Covid pressures contingency under the Environment & Regeneration capital programme.

4.2.2 PROJECTS ON SITE / UNDER CONSTRUCTION

Gourrock Primary School Extension:

As previously reported, tenders were issued in December 2020 with a return in February 2021. The Committee is requested to note the use of powers delegated to the Chief Executive to progress a formal legal acceptance for the project following the tendering exercise to address a completion works contract and the insolvency of the original main contractor in February 2020. The Committee is also requested to note the approval by Emergency Powers of allocations of £528k of future Education Capital Lifecycle funding and £500k of Covid pressures allowance from the Environment & Regeneration Capital programme allocation. The ability to progress the project and the costs connected with it have been significantly impacted by the COVID situation from the initial construction lockdown, phased restart of the industry and slow return of consultants from furlough, to the extended period of security and other related site costs. The projected cost of completion has also been impacted by the deterioration of the partially completed project over a 12 month period requiring extensive allowances for replacement of previously completed / partially completed building elements. The project is also being impacted by inflation and the continuing COVID environment restricted working practices in addition to having limited market interest being a less attractive proposition for contractors due to the partially completed nature of the works.

Hillend Children's Centre Refurbishment:

Works are progressing on site with internal partitions and extension structure complete. Mechanical and electrical first fix works are well advanced with wall linings also substantially completed. Roof covering works are complete with external wall cladding ongoing. The main focus over the next period will be internal fit-out, second fix mechanical and electrical works and final finishes. As previously reported the project is currently projected to complete mid to end 2nd Quarter 2021.

Former Kelly Street Children's Centre Landscaping Works:

Formal acceptance issued with pre-start meeting held and works to commence on site at the end of April 2021.

4.2.3 INTERACTIVE WHITEBOARD REFRESH

As previously reported the first phase works covering 5 primary schools was completed in 4th Quarter 2020. The second phase works covering 3 secondary schools was completed by the end of March 2021.

4.2.4 SCHOOL ESTATE LIFECYCLE WORKS 2020/21

The 2020/21 financial year lifecycle programme, although impacted by COVID, was maximised as far as possible with works undertaken across the estate and opportunity taken of periods of low school occupancy. Works included flooring, decoration, LED lighting upgrades, and sports pitch works with the largest single project the 3G pitch carpet replacement completed at Inverclyde Academy in March 2021. The 2021/22 programme will be developed throughout the year but includes projects such as the 3G MUGA pitch carpet replacement at Wemyss Bay Primary School and a live project for the upgrade of building mounted/site lighting to LED at 9 primary schools.

4.2.5 DEVELOPMENT AND IMPLEMENTATION OF 1140 HOURS OF EARLY LEARNING & CHILDCARE - INFRASTRUCTURE PROJECTS PROGRESS COMPLETED PROJECTS

Project/Establishment Name	Date 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
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
Gourock YAC	October 2020
Wellpark Children's Centre	April 2021

4.2.6 PROJECTS ON SITE / UNDER CONSTRUCTION / MOBILISATION

Rainbow Family Centre Extension

The works are progressing on site with the substructure completed and external superstructure brickwork and roofing nearing completion. First fix joinery and first fix mechanical and electrical installations are well advanced with internal wall linings progressing. External works are partly complete on the formation of block parking bays. As previously reported the Contractor is reporting 4 weeks behind programme due to a combination of adverse weather, difficult ground conditions and site logistics.

Larkfield Children's Centre New Build

The works are progressing with the substructure completed and external superstructure and roofing well advanced. First fix joinery and first fix mechanical and electrical installations are progressing with internal wall linings commenced. Formation of car parking bays and access hardstanding is partly complete. The Contractor is currently reporting 3 weeks behind programme due to a combination of adverse weather and site logistics.

Glenpark Early Learning Centre

Advance services connection work completed with formal acceptance issued for outdoor teaching unit. Building warrant submission made by Contractor. Site programme will be dependent on receipt of warrant with projected start on site in June 2021.

5.0 IMPLICATIONS

5.1 Finance

Financial Implications:

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments
N/A					

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments
N/A					

5.2 Legal

N/A.

5.3 Human Resources

N/A.

5.4 Equalities

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?

X

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

NO

5.5 Repopulation

N/A.

6.0 CONSULTATIONS

6.1 N/A.

7.0 BACKGROUND PAPERS

7.1 N/A.

EDUCATION CAPITAL REPORT
COMMITTEE: EDUCATION & COMMUNITIES



Project Name	1	2	3	4	5	6	7	8
	<u>Est Total Cost</u>	<u>Actual to 31/3/20</u>	<u>Approved Budget 2020/21</u>	<u>Revised Est 2020/21</u>	<u>Actual to 31/03/21</u>	<u>Est 2021/22</u>	<u>Est 2022/23</u>	<u>Future Years</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								
Hillend Children's Centre - Refurbishment Lifecycle Fund	1,484	113	500	770	770	551	50	0
Gourock PS - Extension	10,217	3,934	400	1,138	1,138	762	2,882	1,501
St Mary's PS - Refurbishment & Extension	2,056	1,483	250	81	81	469	23	0
Demolish Kelly Street Children's Centre	7,055	5,949	611	1,106	1,106	0	0	0
Kelly Street Site Landscaping (St. Mary's PS)	46	23	16	23	23	0	0	0
Demolish Sacred Heart Primary School	221	0	41	24	24	187	10	0
Interactive Whiteboard Refresh	366	0	0	1	1	149	216	0
Complete on site	700	0	75	694	694	6	0	0
	115	0	0	27	27	0	88	0
TOTAL SEMP	22,260	11,502	1,893	3,864	3,864	2,124	3,269	1,501
Early Learning & Childcare Expansion (1140hrs) Projects								
Craigmarloch - Internal Alterations	6	0	10	2	2	4	0	0
Gourock YAC - Internal & External Alterations	277	182	40	95	95	0	0	0
Larkfield Children's Centre - New Build	2,906	260	500	1,155	1,155	1,345	146	0
Rainbow Family Centre - Extension	2,378	201	578	1,370	1,370	698	109	0
Wellpark Children's Centre - Alterations	40	0	80	20	20	20	0	0
Glenpark Early Learning Centre - Outdoor	164	0	120	26	26	128	10	0
ELC Complete on site	1,087	1,068	10	19	19	0	0	0
TOTAL ELC EXPANSION	6,858	1,711	1,338	2,687	2,687	2,195	265	0
CFCR Projects								
Education Connectivity	414	0	0	6	6	408	0	0
	414	0	0	6	6	408	0	0
TOTAL ALL PROJECTS	29,532	13,213	3,231	6,557	6,557	4,727	3,534	1,501

LADY ALICE PRIMARY SCHOOL
REFURBISHMENT AND EXTENSION

Appendix 1(a)

TECHNICAL PROGRESS REPORT: APRIL 2021

Project No. 16/013

ITEMS REQUIRING SPECIFIC APPROVAL IN TERMS
OF THE COUNCIL'S FINANCIAL REGULATIONS

VARIATIONS IN THE CONTRACT RESULTING IN
THE APPROVED COST BEING EXCEEDED

1. Architects Instructions

New Boilers, flues, sump pumps and BMS control panels.	£50,392
Works to below ground plant room (new slab and tanking to address water ingress).	£31,302
Window repairs (new gaskets etc.) and electric actuators).	£78,055
Works to existing toilets (previously refurbished).	£48,765
Stairlift to stage (and associated structural alterations).	£21,269
Upgrade existing lighting to LED.	£56,288
Additional external works (tarmacadam playground overlay / fencing).	£50,770

2. Extension of Time

Agreed costs for 11 week extension of time on the project.	£82,817
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Total increase in project works £419,658

Original Approved Budget	£3,756,000
Final Project Cost	£4,176,000
Percentage Increase	11.18%

TECHNICAL PROGRESS REPORT: APRIL 2021

Project No. 17/010

**ITEMS REQUIRING SPECIFIC APPROVAL IN TERMS
OF THE COUNCIL'S FINANCIAL REGULATIONS**

**VARIATIONS IN THE CONTRACT RESULTING IN
THE APPROVED COST BEING EXCEEDED**

1. Architects Instructions

Exposure of existing below ground drainage resulted in increased drainage works.	36,985
Exposure of existing partitions and internal walls revealed the walls were a poorer condition than anticipated resulting in additional repairs including plaster repairs.	51,661
Costs associated with revised structural requirements following opening up of existing building including additional steelwork, structural timber framing and additional contractor design costs and plant costs.	120,841
Additional stonework repairs to external walls required.	14,100
Additional works to external roof finishes and internal roof space.	23,164
Repairs to existing internal floors following opening up of existing building at both ground floor and upper floor levels due to floors being in a poorer condition than anticipated.	58,609
Additional builderswork to suit mechanical and electrical services required following opening up of existing building and excavation of external areas	70,218
Underpinning and essential repairs to rear boundary wall following inspection on site revealing that walls in poorer condition than anticipated; associated works outside site boundary in neighbouring property	50,403
Provision of ceilings to additional rooms within existing building following opening up of existing rooms revealing soffits in poor condition	52,109
Revised works at staircases / stairwells at each end of the existing building due to construction of existing historic building	30,873
Omission of allowance for canopy omitted from scope of works	- 16,572
Omission of allowance in contract sum for areas of render to inner face of external walls not required	- 85,000
Omission of provisional sums and dayworks allowances	- 257,720

2. Direct Loss and Expense

Cost associated with pre-COVID delays and extensions of time related to the unforeseen additional structural and other works to the existing building.	170,073
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3. Costs associated with COVID 19

Costs associated with Covid 19 lockdown period and phased construction restart including revised working practices.	97,540
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4. Fees and charges

Additional fees and charges for professional services for prolongation.	49,668
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5. Surveys minor direct works and utilities

Omit provisional allowance and add back actual costs	9,836
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Total increase in project works 476,788

Original Approved Budget	£6,591,000
Final Project Cost	£7,068,000
Percentage Increase	7.24%

EDUCATION**REVENUE BUDGET MONITORING REPORT****CURRENT POSITION****Period 11 - 1st April 2020 to 28th February 2021**

2019/20 Actual £000	Subjective Heading	Approved Budget 2020/21 £000	Revised Budget 2020/21 £000	Projected Out-turn 2020/21 £000	Projected Over/(Under) Spend £000	Percentage Over/(Under)
45,120	Employee Costs - Teachers	46,096	45,449	46,375	926	2.0%
25,031	Employee Costs - Non Teachers	22,739	27,795	27,936	141	0.5%
16,598	Property Costs	8,091	8,119	8,006	(113)	(1.4%)
5,420	Supplies & Services	5,349	5,991	6,227	236	3.9%
2,638	Transport Costs	2,033	2,101	2,219	118	5.6%
645	Administration Costs	689	685	668	(17)	(2.5%)
5,292	Other Expenditure	18,147	32,931	34,751	1,820	5.5%
(19,673)	Income	(12,353)	(31,307)	(29,915)	1,392	(4.4%)
81,071	TOTAL NET EXPENDITURE	90,791	91,764	96,267	4,503	4.9%
	Earmarked Reserves	0	(134)	(134)	0	
	Loan Charges / DMR	0	(4,808)	(4,808)	0	
	Additional Funding Covid-19			(5,121)	(5,121)	
	TOTAL NET EXPENDITURE excluding Earmarked Reserves	90,791	86,822	86,204	(618)	

2019/20 Actual £000	Objective Heading	Approved Budget 2020/21 £000	Revised Budget 2020/21 £000	Projected Out-turn 2020/21 £000	Projected Over/(Under) Spend £000	Percentage Over/(Under)
174	Corporate Director	149	149	159	10	6.7%
58,529	Education	61,864	62,570	66,173	3,603	5.8%
95	Facilities Management	110	110	1,130	1,020	927.3%
9,237	School Estate Management Plan	14,557	14,728	14,728	0	-
67,861	TOTAL EDUCATION SERVICES	76,531	77,408	82,031	4,623	6.0%
9,402	ASN	10,337	10,346	10,229	(117)	(1.1%)
1,614	Community Learning & Development	1,685	1,746	1,746	0	-
2,020	Other Inclusive Education	2,089	2,115	2,102	(13)	(0.6%)
13,036	TOTAL INCLUSIVE EDUCATION	14,111	14,207	14,077	(130)	(0.9%)
81,071	TOTAL EDUCATION COMMITTEE	90,791	91,764	96,267	4,503	4.9%
	Earmarked Reserves	0	(134)	(134)	0	
	Loan Charges / DMR	0	(4,808)	(4,808)	0	
	Additional Funding Covid-19	0	0	(5,121)	(5,121)	
	TOTAL EDUCATION COMMITTEE excluding Earmarked Reserves	90,791	86,822	86,204	(618)	

EDUCATION**REVENUE BUDGET MONITORING REPORT****MATERIAL VARIANCES****Period 11 - 1st April 2020 to 28th February 2021**

<u>Out Turn</u> <u>2019/20</u> <u>£000</u>	<u>Budget</u> <u>Heading</u>	<u>Budget</u> <u>2020/21</u> <u>£000</u>	<u>Proportion</u> <u>of Budget</u>	<u>Actual to</u> <u>28-Feb-21</u> <u>£000</u>	<u>Projection</u> <u>2020/21</u> <u>£000</u>	<u>(Under)/Over</u> <u>Budget</u> <u>£000</u>	<u>Percentage</u> <u>Over / (Under)</u>
45,120	ED Employee Costs -Teachers	45,449	41,662	43,768	46,375	926	2.0%
25,031	Employee Costs - Non Teachers	27,795	23,163	23,132	27,936	141	0.5%
528	Gas	527	439	378	471	(56)	(10.6%)
897	Electricity	942	707	612	859	(83)	(8.8%)
1,191	ED Cleaning Contract	1,144	1,049	997	1,072	(72)	(6.3%)
0	FM Cleaning Materials	0	0	96	103	103	-
1,053	FM Catering Supplies	979	897	340	494	(485)	(49.5%)
3,253	ED Catering Recharge	3,666	3,361	2,415	3,181	(485)	(13.2%)
0	FM Catering Supplies - Covid-19	0	0	320	510	510	-
0	FM PPE / Hans Sanitiser - Covid 19	0	0	135	150	150	-
0	IT Digital Access Equipment	0	0	634	650	650	-
77	School Milk	107	98	31	47	(60)	100.0%
29	Outdoor Education Supplies	29	0	0	0	(29)	-
90	Pupil Transport - Consortium	60	39	75	106	46	76.7%
30	Pupil Transport - Vocational	33	30	8	12	(21)	(63.6%)
416	ASN Transport	352	352	445	422	70	19.9%
3	EMA Administration	25	23	1	5	(20)	(80.0%)
8	Early Years Framework	37	34	6	7	(30)	(81.1%)
350	ASN Placements	371	340	191	337	(34)	(9.2%)
0	ASN Review	211	0	0	61	(150)	(71.1%)
0	Food Payments - Covid-19	0	0	1,556	2,060	2,060	-
(30)	Music Tuition Fees	(34)	(34)	0	0	34	-
(900)	School Meal Income	(981)	(752)	(252)	(277)	704	(71.8%)
(32)	Breakfast Club Income	(62)	(57)	0	0	62	(100.0%)
(6,442)	FM Income	(6,448)	(5,910)	(4,747)	(5,891)	557	(8.6%)
	Total Covid-19 Material Variances					5,141	
Total Material Variances						4,488	

EARMARKED RESERVES POSITION STATEMENT

COMMITTEE: Education & Lifelong Learning

<u>Project</u>	<u>Lead Officer/ Responsible Manager</u>	<u>Total Funding 2020/21</u>	<u>Phased Budget To Period 11 2020/21</u>	<u>Actual To Period 11 2020/21</u>	<u>Projected Spend 2020/21</u>	<u>Amount to be Earmarked for 2020/21 & Beyond</u>	<u>Lead Officer Update</u>
		<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	
Beacon Arts	Tony McEwan	87	0	0	0	87	Contingency for Beacon funding.
Autism Friendly	Tony McEwan	189	16	15	32	157	CVS post now funded until end of March 2021. No other expenditure expected at this time.
Year of Young People Legacy	Tony McEwan	40	20	8	10	30	Due to Covid-19 there are restrictions on type of event that can take place which reduces the spend for 2020/21 to £10k from the previously budgeted £20k. It is envisaged that two events will now take place in 2021/22 once restrictions are lifted.
Early Years 1140 c/f	Michael Roach	2,043	1,772	920	1,112	931	Projected expenditure has been fully reviewed - by end of FY £198k will have been used for Covid Response, £788k on Infrastructure Works and the balance on Training & Resources. Of £931k c/f, £427k remains unallocated. Plans have been submitted to the Scottish Government to ask permission to allocate this funding to new initiatives.
Total		2,359	1,808	943	1,154	1,205	