
Report To:	Education & Lifelong Learning Committee	Date:	15 March 2011
Report By:	Corporate Director Education and Communities and Chief Financial Officer	Report	EDUC/19/11/EM
Contact Officer:	Eddie Montgomery	Contact No:	01475 712472
Subject:	Capital Programme 2010 – 14/15 - 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 Committee in respect of the progress and financial status of the projects within the overall Education Capital Programme.
- 2.2 The Capital Programme has been updated to reflect the revised School Estate Funding Model approved by Committee on 7th September 2010 and covers the period 2010-2014/15.
- 2.3 Overall the Committee is projecting to contain the costs of the 2010-14/15 Capital Programme within available budgets.
- 2.4 Appendix 1 contains details of the projected spend and cashflow for the Capital Programme over the 4 years of the current programme.

3.0 RECOMMENDATIONS

- 3.1 That the Committee note the progress on the specific projects detailed in Appendix 1.
- 3.2 That the Committee approve the addition of the new project at Glenbrae Nursery detailed in Section 10.
- 3.3 That the Committee agree to increase the project budget for the Refurbishment of Gourock High School for St Columba's project by £403K. This funding to be taken from the overall contingency allowance.

3.4 That the Committee approve the issue of tenders and grant delegated authority to the Head of Legal and Democratic Services to accept the lowest acceptable tender, provided the cost is within the approved project budget, for the following projects:

- Port Glasgow Shared Campus including advance works to form Park n Stride
- Demolition of Greenock Academy
- Demolition of St. Gabriel's Primary School

Albert Henderson
Corporate Director Education
& Communities
18th February 2011

Alan Puckrin
Chief Financial Officer
18th February 2011

4.0 BACKGROUND

- 4.1 This report shows the current position of the approved Education Capital Programme reflecting the allocation of resources approved by the Committee at the meeting on 7th September 2010. This allocation forms the basis of the School Estate Programme to completion.
- 4.2 The School Estate Strategy approved by the Committee gives a comprehensive programme which will enable the Council's entire school stock to be modernised. The programme runs for more than 17 years. The Education Capital Programme detailed in this report shows details of projects which will incur expenditure up to March 2015.

5.0 PPP SCHOOLS PROJECT

- 5.1 Although they do not form part of the Capital Programme the PPP schools are a significant part of the School Estate Management Plan and it is appropriate to report on the progress of building works in this report.
- 5.2 Notre Dame High School and Clydeview Academy are progressing well and, although the adverse weather prior to the Christmas break had a detrimental affect on progress, since returning in the new year progress of works has been much more positive. External building envelope areas are virtually complete with only minor flashing and snagging works to be carried out. Internally the underfloor heating and screeding works are complete and both schools have undergone the required heating protocol. The main services are all live and commissioning works are progressing well. Painting, decorating and final floor coverings are well underway to a set sequence at both schools. Overall the internal works are progressing very well with a phased programme of completion in place to allow commencement of snagging. External works, although slightly delayed at the end of last year, have progressed significantly with the much milder weather through January and February and are anticipated to be completed within programme.

6.0 PRIMARY SCHOOL REFURBISHMENTS

- 6.1 The Refurbishment of Earnhill for St Gabriel's/Sacred Heart (now named as St. Andrew's Primary School) commenced on site on 30th August and works are progressing on site. The project is on budget. The contract completion date is 29th July 2011, however, the Contractor is currently reporting 4 weeks behind programme due to the recent adverse weather. The Contractor is using his best endeavours to recover the lost time however if he is unable to do so then this will impact on the school amalgamation and exceptional closure dates for the project.
- 6.2 The letter of acceptance for the refurbishment of Overton Primary School for Overton /Highlander's has been issued. The project is currently awaiting the final water main connection to be made by Scottish Water in relation to the diversion of the existing 9" pressurised water main that runs through the school site. Scottish Water have confirmed a start date of 14 March for their works. The main Contractor will take possession of the site when this work is complete which is presently estimated to be 21 March 2011 with completion in June 2012. The project is behind programme. The project is within budget.

7.0 PORT GLASGOW SHARED CAMPUS

- 7.1 The School Estate Team and Design Team continue to work together with the stakeholders and the Stage D Report has been received and approved. The formal planning application has been submitted and the statutory consultations are underway. The tender document package drawing and specification review is ongoing with tender issue programmed for late March. The expressions of interest for Contractor have been evaluated and a short list agreed. The expressions of interest for Employers Agent have been evaluated and a short list agreed with second stage tender issue planned for early March. The project is on programme and within budget.
- 7.2 It is planned to progress the park n stride area in advance of the main contract to make this available for use by the temporary shared campus and approval is sought to issue tenders. The estimated cost of the work is £90,000 which will be funded from the main project allocation.

8.0 ST COLUMBA'S HIGH SCHOOL

- 8.1 The School Estate Team and Design Team are working together with the stakeholders and the Stage D Report has been received. The pre-planning public consultation event was held on 11th January 2011. The project cost plan at stage D was approx 5.16% (£790K) over budget. Significant value engineering and interrogation of the design and cost plan assumptions have taken place and the revised Stage D cost plan is now 2.63% (£403K) over budget. This is considered the minimum required to progress the project in line with the original project brief to achieve all accommodation, building fabric and services improvement requirements. There are a number of contributory factors resulting in this projected increase from the initial cost estimate which are summarised below:

- Constraints of Existing Building - The original cost plan assumed re-using a larger area of the existing building than the current scheme. Upon completion of the measured and other detailed surveys it became clear that large areas of the existing building, in terms of condition, structure and accessibility (level change issues) did not lend themselves to simple refurbishment. The area of demolition and new extension is therefore more than originally anticipated in order to create a fully accessible floor plan with the appropriate subject relationships / adjacencies. The existing building also has a relatively high proportion of circulation space which is difficult to rationalise efficiently within the overall floor plan.
- Building Standards - Building Standards associated with energy efficiency have become more rigorous for refurbished buildings - external wall cladding, window systems, roof systems all require a higher specification to meet higher thermal efficiency standards. It should be noted that the finished building will be more energy efficient as a result and so will be more economical to run. Part of the aspiration for the new school was that the finished building should be as far as possible a new school rather than an upgraded / refurbished school and the replacement of the external envelope with a cladding/glazing system achieves both of these objectives although with an impact on the overall cost of this element. Building Standards associated with fire escape have also become more rigorous than when the original project budget was set. The extent of work required to stairs, escape routes, external fire escape and fire strategy generally has had an impact on the cost of these elements.

- Off Site Drainage – As reported to the last Committee, as part of the investigation works being carried out the existing drainage in and around the school site has been surveyed. The investigations discovered deficiencies in the existing surface water drainage network outwith the school site. As part of any major new build or refurbishment the drainage arrangements must be improved based on Sustainable Urban Drainage Systems (SUDS) to comply with the requirements of Planning, the Council's Flood Prevention Officer, Scottish Water and SEPA to account for the new buildings and any all weather pitches. The deficiencies in the system outwith the site could not have been foreseen and were not included in the original cost plan. It is proposed to carry out works to address the issues with the surface water drainage system in advance of the main contract. The estimated cost of the work is £120,000.

8.2 There is sufficient contingency within the overall Education Capital programme to add £403K to the project budget. It is recommended that this course of action be taken.

9.0 BINNIE STREET CHILDREN'S CENTRE

9.1 Design work for Binnie Street Children's Centre is progressing. The Scheme Design had been agreed with the School Estate Team and Stakeholders with planning application submitted. Historic Scotland were consulted as part of the process as the existing building has a grade C(S) listing. Although this type of listing allows significant works to be carried out, Historic Scotland were unhappy with some aspects of the project and this has necessitated a review of the design. This review has been completed and the revised scheme has been agreed with the Stakeholders and Historic Scotland. The re-design has delayed the preparation of tender documents although it has assisted with addressing the funding gap previously reported. The project has been advertised and expressions of interest have been received from Contractors. Technical Services are currently short listing contractors. It is anticipated that tenders will be issued in early April with a completion likely March 2012. The project is behind programme.

10.0 NEW PROJECTS & PROJECTS PROCEEDING TO TENDER STAGE

10.1 It is proposed to carry out one new project funded from the contingency and proceed to tender with three projects as detailed below.

10.2 Glenbrae Children's Centre – WC Refurbishment/Upgrading

It is proposed to carry out works to improve the existing childrens toilets including a full refurbishment and alterations to address shared use by building users. The estimated cost of the work is £35,000.

10.3 Greenock Academy & St Gabriel's Primary School – Demolition

The briefs for the demolition of Greenock Academy and St. Gabriel's Primary School have been issued and tender documents are being prepared. Approval is sought to issue tenders.

11.0 FINANCIAL IMPLICATIONS

11.1 The approved budget for 2010/11 is £7.631M. The Committee is projecting to spend £4.788M with slippage of £2.843M (37.26%) into future years. The main reasons for the slippage are a combination of that previously reported in connection with the revisions to the school funding model and allocation of resources in September (£0.831M – 10.89%); and individual project cash flow revisions to reflect updated programmes, cumulative effect of slippage across a number of projects, delayed anticipated spend through the complete on site budgets and carry forward of unallocated contingency (£2.012M – 26.37%).

11.2 The spend at 31st January 2011 is £2.692M from a revised budget of £4.788M. This is expenditure of 56.22% of the budget after 83% of the year. The original cash flow forecast stated expenditure should be 54.6% at 31st December 2010.

11.3 The current budget is £144.990M, made up of £67.988M Supported Borrowing and £77.002M Prudential Borrowing. The Current Projection is £144.990M.

11.4

Education and Lifelong Learning	Approved Budget £000	Current Position £000	Overspend / (Underspend) £000
Total School Estate	142,218	142,218	-
Total Non School Estate	2,772	2,772	-
Total	144,990	144,990	-

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

12.0 CONSULTATION

12.1 There are no direct staffing implications in respect of the report and as such the Head of Organisational Development, HR and Performance has not been consulted.

12.2 There are no legal issues arising from the content of this report and as such the Head of Legal and Democratic Services has not been consulted.

13.0 EQUALITIES

13.1 There are no equalities issues.

14.0 LIST OF BACKGROUND PAPERS

14.1 Education Capital Programme Technical Progress Reports February 2011. (A technical progress report is a project specific report which details the financial and progress position for current projects which have a legal commitment).

Project Name	1	2	3	4	5	6	7	8	9	10	11	12	13	Final
	Est Total	Actuals	Approved	Revised Est	Actuals	Est 2011/12	Est 2012/13	Est 2013/14	Est 2014/15	Est 2015/16	Est 2016/17	Current	Current	Estimate
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
SEMP - Capital Programme Projects														
Paul Occupancy Evaluation Works - Various	60	21	39	39	15	10	24	0	0	0	0	0	0	Phased works on-going.
St Stephen's HS General Refurbishment	240	144	96	96	103	19	2	0	0	0	0	0	0	Phased works on-going.
Adgewan Refurb Phase 1	343	309	33	33	33	19	2	0	0	0	0	0	0	Works complete
Kilmacdonn PS Refurb Phase 1	178	167	61	5	2	0	0	0	0	0	0	0	0	Works complete
Lady Alice PS Refurb Phase 1	250	200	48	48	25	2	0	0	0	0	0	0	0	Works complete
Woodroff PS Refurb Phase 1	274	259	19	19	3	4	0	0	0	0	0	0	0	Works complete
St John's PS Refurb Phase 1	275	233	36	36	35	2	0	0	0	0	0	0	0	Works complete
St John's PS Refurb Phase 2	275	233	36	36	35	2	0	0	0	0	0	0	0	Works complete
Kings Glen Decant School Upgrade	42	20	0	0	0	0	0	0	0	0	0	0	0	Works complete
Sacred Heart Decant School Upgrade	300	0	0	0	0	0	101	183	16	0	0	0	0	Works complete
Roads Improvement Work PPP Primary School	10	7	13	3	3	0	0	0	0	0	0	0	0	Works complete
Muirna Centre Interim Refurbishment	140	29	105	104	5	0	0	0	0	0	0	0	0	Works complete
Earhill PS - Refurbishment	4,064	190	1,735	1,850	800	1,921	103	0	0	0	0	0	0	On site - 4 weeks behind programme due to adverse weather
Overton / Highlandra Refurbishment	4,899	204	1,772	387	283	3,325	911	62	0	0	0	0	0	On site - 4 weeks behind programme due to adverse weather. Design works issued - start anticipated Mar 2011. 8 weeks behind programme.
Demelish Ravenscraig PS	49	11	38	38	25	0	0	0	0	0	0	0	0	Works complete
Glenrae Nursery Window Replacers	15	0	0	15	0	0	0	0	0	0	0	0	0	To be re-tendered.
St Michaels PG Line Foldpath	11	0	0	11	9	0	0	0	0	0	0	0	0	Works complete
Adgewan PS Toilet Refurbishment	330	0	0	30	11	0	0	0	0	0	0	0	0	Works complete
Lady Alice PS Tissue	250	0	0	20	0	218	12	0	0	0	0	0	0	Design complete. Tender documents being prepared.
St John's PS Tissue	50	0	0	0	0	35	0	0	0	0	0	0	0	Tender issue imminent.
Balance of Contingency 10/11	367	0	172	0	0	0	397	0	0	0	0	0	0	Design development progressing. Stage D estimate exceeds budget.
Gaurock HS - Refurb for St Columba's	15,298	13	523	553	339	2,195	8,957	3,271	309	0	0	0	0	Brief issued. Design works commenced.
Inverkip PS - Refurb	895	0	34	34	0	291	559	44	0	0	0	0	0	Design development progressing. Tender issue imminent.
ASN School - New Build	12,264	0	598	317	0	2,822	6,956	273	0	0	0	0	0	Brief issued. Design progressing.
Port Glasgow Sharned Camusa Secondary	497	0	0	0	0	472	25	0	0	0	0	0	0	Brief issued.
Demelish Gramack Academy	407	0	0	0	0	0	0	0	0	0	0	0	0	Brief issued.
Demelish St Gabriel's PS	132	0	0	0	0	125	7	0	0	0	0	0	0	Tenders returned. Acceptance issued. Start April.
Demelish Kings Glen PS	221	0	0	0	0	9	201	11	0	0	0	0	0	
PPP Secondary Schools Interactive Boards	595	0	0	0	0	395	0	0	0	0	0	0	0	
Demelish St Stephens HS	398	0	0	0	0	0	0	530	29	0	0	0	0	
Demelish Ulybank	124	0	0	0	0	0	0	117	7	0	0	0	0	
Balance of Contingency Fund 11/12	166	0	0	0	0	166	0	0	0	0	0	0	0	
Balance of Contingency Fund 12/13	65	0	0	0	0	65	0	0	0	0	0	0	0	
Balance of Contingency Fund 13/14	345	0	0	0	0	345	0	0	0	0	0	0	0	
Balance of Contingency Fund 12/13	100	0	0	0	0	100	359	0	0	0	0	0	0	
Balance of Contingency Fund 13/14	359	0	0	0	0	100	100	0	0	0	0	0	0	
Balance of Contingency Fund 14/15	100	0	0	0	0	0	0	487	0	0	0	0	0	
Balance of Contingency Fund 14/15	487	0	0	0	0	0	0	100	0	0	0	0	0	
Other Projects	1,000	0	0	0	0	0	291	2,051	1,760	5,325	0	0	0	
Complete on site	13,115	12,883	232	105	74	57	75	0	0	0	0	0	0	
Non Prudentially Funded SEMP	67,859	14,873	5,631	3,821	1,814	12,759	18,259	8,784	2,950	5,335				
SEMP-Prudentially Funded Projects														
Port Glasgow Sharned Camusa Secondary School	35,292	54	1,355	764	749	7,711	18,877	7,141	745	0	0	0	0	Design development progressing. Tender issue imminent.
Complete on site	38,938	39,775	163	24	24	135	0	0	0	0	0	0	0	
	74,230	39,659	1,518	788	773	7,846	18,877	7,141	745	0	0	0	0	
SEMP-FCR Funded Projects														
St Stephen's HS General Refurbishment	100	0	100	100	100	0	0	0	0	0	0	0	0	Phased works on-going.
Ulybank Multi Sensory Room Alterations	130	0	100	100	100	30	0	0	0	0	0	0	0	Design complete. To be carried out during Easter.
TOTAL SEMP CAPITAL	142,218	53,762	7,509	4,709	2,627	20,576	37,146	16,926	3,726	5,335				
Non-SEMP Prudentially Funded Projects														
Bonnie Street Nursery	1,300	0	122	78	13	1,053	165	3	0	0	0	0	0	Design and tender document preparation progressing. Delayed due to Historic Scotland design approval. Behind programme.
Complete on site	1,472	1,472	0	0	0	0	0	0	0	0	0	0	0	
	2,772	1,472	122	78	13	1,053	168	3	0	0	0	0	0	
TOTAL non-SEMP CAPITAL	2,772	1,472	122	78	13	1,053	168	3	0	0	0	0	0	
TOTAL ALL CAPITAL PROJECTS	144,990	55,174	7,631	4,787	2,640	21,729	37,314	16,929	3,726	5,335				