
Report To: Education & Lifelong Learning Committee **Date:** 13 March 2012

Report By: Corporate Director Education and Communities and Chief Financial Officer **Report** EDUC/15/12/EM

Contact Officer: Eddie Montgomery **Contact No:** 01475 712472

Subject: Capital Programme 2011 – 15/16 - 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 reflects the revised School Estate Funding Model as reported to the November 2011 Committee and covers the period 2011-2015/16.
- 2.3 Overall the Committee is projecting to contain the costs of the 2011-15/16 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 detailed in Section 10, the issue of tenders, and grant delegated authority to the Head of Legal & Democratic Services to accept the lowest acceptable tender, provided the cost is within the available funding for the project as detailed in Section 10.1.
- 3.3 That the Committee note and approve the additional expenditure on the Whinhill Primary School (Refurbishment of Former Overton PS) project as detailed in Appendix 2.
- 3.4 That the Committee approve the utilisation of the overall capital programme contingency allowance to address the over expenditure noted in 3.2 above.

Albert Henderson
Corporate Director Education
& Communities
17th February 2012

Alan Puckrin
Chief Financial Officer
17th February 2012

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 and as amended for the review of the School Estate Funding Model reported to the November 2011 Committee. 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 2016.

5.0 WHINHILL PRIMARY SCHOOL REFURBISHMENT & EXTENSION

- 5.1 Whinhill Primary School Refurbishment – Following initial delays in relation to the diversion of the existing pressurised water main, the main Contractor took possession of the site on 12th April with completion anticipated in July 2012. The project is progressing on site with the extension substructure and superstructure complete including roof sheeting. Work within the existing building is well advanced with window installation, new roof coverings, and first fix services complete. The Contractor has experienced delay due to the exceptionally adverse weather and also with difficult ground conditions. As verbally reported to the last Committee the works required to deal with the discovery of large ash deposits on the site have necessitated a much more extensive scheme of groundworks including gabion basket retaining walls, soil stabilisation, additional drainage works and the removal of large quantities of ash off site. The project is now reporting an over expenditure of approximately 4% as a result of the issues noted above. A summary of the issues and costs are contained in Appendix 2.
- 5.2 A review of the available contingency has been carried out and the projected £190K over expenditure on the Whinhill Primary School project is able to be funded as follows:
- Reduction in the Roads Improvements PPP Secondaries budget (£546K to £376K) to reflect the funding required to complete the outstanding works - £170K
 - Utilisation of £20K of the available £100K 2012/13 Contingency allowance.

6.0 PORT GLASGOW SHARED CAMPUS

- 6.1 Works commenced on site on the 3rd October 2011 to complete mid July 2013. The Contractor is progressing on site with the demolition of the existing building and culvert diversion complete and the formation of the new roundabout to an advanced stage. The installation of the wider drainage and attenuation scheme is well advanced with site clearance / cut & fill works almost complete, and piling works commenced. The Contractor is reporting 15 days behind on his current programme due to exceptionally adverse weather conditions and some difficult ground conditions but is endeavouring to recover this time across the remainder of the programme. The project is within budget.

7.0 ST COLUMBA'S HIGH SCHOOL

7.1 Works commenced on site on the 16th January 2011 to complete June 2013. The Contractor is progressing with the internal strip out work in preparation for the partial demolition works and is progressing with the works in connection with new utilities. A meeting of the St Columba's High School working group took place on 7 February which was attended by members of the School Estate Team and a representative from the main Contractor who presented an update on the project progress to date. The project is on programme and within budget.

8.0 MEARNS CENTRE (REFURBISHMENT OF ST LAURENCE'S PRIMARY SCHOOL)

8.1 The May 2011 Committee approved the revised scope of the Mearns Centre (Refurbishment of former St. Laurence's Primary School). Tenders have been returned with the tender evaluation process nearing completion. The lowest tender including and allowance for all direct costs and fees is likely to be in excess of the available funding. A review of tender allowances and potential savings is underway. It is anticipated that an addendum to this report will be issued seeking approval to proceed and accept the lowest tender following completion of the evaluation and cost review which should be completed prior to the date of the Committee.

9.0 BINNIE STREET CHILDREN'S CENTRE

9.1 Works commenced on site on the 19 September 2011 to complete June 2013. The last report to Committee advised of the discovery of extensive rot within timbers necessitating additional funding and a delay to the completion of approximately 6 weeks. The works are now progressing on site with rot repair works almost completed steel frame for extension erected, internal dry lining works commenced, window installation commenced, roof slating in progress, and plumbing first fix completed.

10.0 NEW PROJECTS

10.1 Moorfoot Primary School – Replacement Windows and Curtain Walling The recent condition survey of the building highlighted that the existing single glazed windows and curtain walling with integrated external doors were reaching end of life and require replacement. It is proposed to carry out a complete replacement of all windows, external doors and curtain walling which will significantly improve the thermal efficiency of the external envelope. It is proposed that the £337K 2012/13 lifecycle allowance be utilised for this project with the works carried out over the 2012 summer holiday period. It should be noted that the completion of this work will improve the overall condition rating of the building which is currently "C – Poor". It will also allow the future project allowance for Moorfoot Primary School to be reduced accordingly, subject to a detailed review of the project scope / cost plan at the appropriate time.

11.0 FINANCIAL IMPLICATIONS

11.1 The approved budget for 2011/12 is £22.862M. The Committee is projecting to spend £12.314M for 2011/12. This is a reduction of £4.809M (21.03%) due to lower tender prices / revisions to the model and £5.739 (25.10%) due to slippage into future years.

11.2 The spend at 31st January 2012 is £8.665M from a revised budget of £12.314M. This is expenditure of 70.36% of the budget after 83.33% of the year.

11.3 The current budget position as amended to reflect the review of the School Estate Funding model reported to the November Committee is £88.296M, made up of £51.928M Supported Borrowing, £30K Capital Financed from Current Revenue and £36.338M Prudential Borrowing. The Current Projection is £88.296M.

11.4	Education and Lifelong Learning	Approved Budget £000	Current Position £000	Overspend / (Underspend) £000
	Total School Estate	86,996	86,996	-
	Total Non School Estate	1,300	1,300	-
	Total	88,296	88,296	-

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 January 2012. (A technical progress report is a project specific report which details the financial and progress position for current projects which have a legal commitment).

CAPITAL REPORT APPENDIX 1

COMMITTEE: EDUCATION & LIFELONG LEARNING



Project Name	1	2	3	4	5	6	7	8	9	10	11	12	13	Status
	Est Total Cost	Actual to 31/3/11	Approved Budget 2011/12	Revised Est 2011/12	Actual to 31/01/12	Est 2012/13	Est 2013/14	Est 2014/15	Est 2015/16	Future Years	Start Date	Original Completion Date	Current Completion Date	
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000				
SEMP - Capital Programme Projects														
Sacred Heart Decant School Upgrade	300	0	0	14	14	15	255	16	0	0	Oct-11	-	Jan-12	Scoping exercise being completed by SET.
St Andrew's PS - Refurbishment	4,267	1,920	2,041	2,299	2,299	48	0	0	0	0	Aug-10	Jul-11	Oct-11	Complete.
Whinhill PS (Overton / Highlanders) - Refurbishment & Ext	5,089	493	3,433	3,253	2,255	1,181	162	0	0	0	Oct-10	-	Jul-12	On site. See specific report and Appendix 2.
Glenbrae Nursery Window Replacement	40	0	15	39	20	1	0	0	0	0	Jun-11	Aug-11	Sep-11	Complete.
Lady Alice PS Rewire	224	14	224	198	178	12	0	0	0	0	May-11	-	Aug-11	Complete.
St Michaels PS Drainage	27	5	30	22	10	0	0	0	0	0	Jun-11	-	Aug-11	Complete.
Glenbrae Nursery WC Refurbishment	52	0	35	50	44	2	0	0	0	0	Jun-11	-	Aug-11	Complete.
Gourock HS - Refurb for St Columba's	14,667	549	2,567	1,151	615	7,059	5,656	252	0	0	Jan-12	-	Jun-13	On site.
Inverkip PS -Refurb	595	0	295	295	250	157	143	0	0	0	Jul-11	-	Aug-12	Phases 1 and 2 complete. Nursery works to commence summer 2012.
ASN School - New Build	10,628	259	2,940	725	0	5,759	3,734	151	0	0	Oct-11	-	Jul-13	On site.
Road Improvements PPP Secondaries	376	0	227	50	50	202	124	0	0	0	Jun-11	Aug-11	Oct-11	Steps and handrail works complete. Car park on hold pending demolition and traffic survey. Footpath works quote awaited.
Demolish Greenock Academy	164	0	472	67	67	0	0	0	95	2	Sep-15	-	Nov-15	Demolition delayed. Building in temporary use.
Demolish St Gabriels PS	71	0	125	70	8	1	0	0	0	0	Feb-12	-	Mar-12	Start on site delayed due to Scottish Power.
Demolish Kings Glen PS	221	0	9	9	0	151	61	0	0	0	Jul-12	-	Sep-12	
PPP Secondary Schools Interactive Boards	363	2	393	361	361	0	0	0	0	0	Apr-11	May-11	May-11	Complete.
Demolish St Stephens HS	558	0	0	0	0	0	530	28	0	0	Sep-13	-	Dec-13	
Demolish Lilybank	124	0	0	0	0	0	117	7	0	0	Jul-13	-	Sep-13	
Balance of Lifecycle Fund	1,784	0	188	0	0	337	359	487	601	0				
Balance of Contingency	1,518	0	65	138	0	380	800	100	100	0				
St Patrick's PS Reception Alterations	9	0	0	9	7	0	0	0	0	0	Aug-11	Aug-11	Aug-11	Complete.
Lady Alice PS Resurfacing	15	0	0	15	15	0	0	0	0	0	Oct-11	-	Oct-11	Complete.
Kilmacolm PS Re-Roofing	258	0	0	60	22	198	0	0	0	0	Mar-12	-	May-12	Tenders returned. Acceptance imminent.
Future Projects	10,332	0	0	0	0	201	2,592	1,818	2,957	2,764				
Complete on site	156	0	129	129	33	27	0	0	0	0				
Non Prudentially Funded SEMP	51,838	3,242	13,188	8,954	6,248	15,731	14,533	2,859	3,753	2,766				
SEMP-Prudentially Funded Projects														
Port Glasgow Shared Campus Secondary School	32,754	828	7,701	2,427	1,951	15,592	13,426	481	0	0	Oct-11	-	Jul-13	On site.
St Laurences PS - Refurb for Mearns Centre	2,150	0	757	149	130	1,931	70	0	0	0	Apr-12	-	Jan-13	Tenders returned. Being evaluated.
Complete on site	134	0	134	134	11	0	0	0	0	0				
	35,038	828	8,592	2,710	2,092	17,523	13,496	481	0	0				
SEMP-CFCR Funded Projects														
Lilybank Multi Sensory Room Alterations	30	0	30	30	23	0	0	0	0	0	Apr-11	Apr-11	Apr-11	Complete.
	30	0	30	30	23	0	0	0	0	0				
TOTAL SEMP CAPITAL	86,906	4,070	21,810	11,694	8,363	33,254	28,029	3,340	3,753	2,766				
Non-SEMP Prudentially Funded Projects														
Binnie Street Nursery	1,390	80	1,052	620	302	620	70	0	0	0	Sep-11	Jun-12	Jul-12	On site.
	1,390	80	1,052	620	302	620	70	0	0	0				
TOTAL non-SEMP CAPITAL	1,390	80	1,052	620	302	620	70	0	0	0				
TOTAL ALL CAPITAL PROJECTS	88,296	4,150	22,862	12,314	8,665	33,874	28,099	3,340	3,753	2,766				

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

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

1. Increased drainage works

Exposure of existing drainage resulted in increased drainage and larger attenuation tank. **£45,000**

2. Flooring repairs

Exposure of existing floor screed was found to be in a poorer condition than previous samples had shown resulting in additional repairs. **£17,000**

3. Partition repairs

Exposure of existing partitions revealed the walls were a poorer condition than anticipated resulting in demolition and replacement of additional partitions. **£15,000**

4 Omit steel trimmers to rooflights

Delete steel trimmers to all rooflights Replace with timber bearers as specified by the structural engineer. **-£10,000**

5. Ground Conditons

After initial excavations were carried out at the slope on the north west corner of the site large ash deposits were discovered. After investigation it was decided to remove the soil and stabilise the remaining ground slope with a soil retention system and additional landscaping. **£255,000**

6. Comfort cooling

During the on site stage of the project the Services Consultant carried out a review of Services taking into account the final solutions for the interface with the existing building and extension. The review indicated that a comfort cooling system was required in selected areas. **£8,000**

7. Additional supports to roofing system

During the on site stage of the project the Engineering Consultant carried out a review of the roofing system for the extension. The review indicated that additional structural supports would be required. **£10,000**

8. Additional work to render panels WC Block

Revision of render panel detail / specification to top of walls of existing building WC Blocks following Contractors opening up **£5,000**

9. Revised damp proofing to extension

Increased specification damp proofing to extension flooring system **£5,000**

10. Increased structural repairs

After exposure of existing building structure a further survey was carried out resulting in existing external wall panels requiring stabilisation **£25,000**

11. Windcatchers

During the on site stage of the project the Services Consultant carried out a review of Services taking into account the final solutions for the interface with the existing building and extension.. The review indicated an increased specification to the windcatcher ventilation installation. **£35,000**

12 Additional builderswork

After the existing roof structure was exposed new service routes had to be planned as the existing structural panels would be weakened if penetrated **£5,000**

13. Demolish existing tank room

After the existing tank room structure was exposed it was found to be in poorer condition than original surveys had indicated. Several options were proposed including rebuilding but the most cost effective solution was demolish and alter part of the existing building to accommodate plant **£30,000**

14. Additional asbestos

During drainage works the contractor exposed asbestos based material buried on the drainage routes. A specialist contractor removed this to allow work to proceed **£3,000**

15. Extension of time/disruption

An allowance has been made for a claim intimated by the Contractor for delay and disruption costs. **£81,000**

16 Advance water mains diversion

After excavations and exposure of the existing main it was discovered that the main would require to be diverted live under pressure and not bypassed as originally intended **£31,000**

17. Omission of Contingency allowance

Omission of contingency allowance **-£350,000**

18. Omission of Provisional Sums allowance

Additional rock in substructure excavations **-£35,000**
Asbestos removal **-£5,000**

Sub Total **£170,000**

19. Fees **£20,400**

Total increase in project works **£190,400**