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**Report To:** Education & Communities Committee      **Date:** 5 November 2013

**Report By:** Corporate Director Education, Communities & Organisational Development and Head of Finance      **Report** EDUCOM/81/13/EM

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

**Subject:** Education Capital Programme 2013 – 2015/16 Progress

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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 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 School Estate Funding Model as reported to the October 2012 Committee and covers the period 2013-2015/16. It should be noted that a revised SEMP Funding model appears later on the agenda for approval.
- 2.3 Overall the Committee is projecting to contain the costs of the 2013-15/16 Capital Programme within available budgets.
- 2.4 Appendix 1 contains details of the projected spend and cashflow for the Capital Programme over the 3 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 note the review of the School Estate Funding Model which is a separate item on the agenda.

Albert Henderson  
Corporate Director Education,  
Communities &  
Organisational Development  
11<sup>th</sup> October 2013

Jan Buchanan  
Head of Finance  
11<sup>th</sup> October 2013

## **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 and the subsequent decisions on acceleration of the Primary School programme following the Council's budget setting process and the special budget meeting of Thursday 14<sup>th</sup> February 2013 as amended for the October 2013 review of the School Estate Funding Model being reported to this Committee. This allocation forms the basis of the School Estate Programme to completion.
- 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 programme runs for more than 15 years. The Education Capital Programme detailed in this report shows details of projects which will incur expenditure up to March 2016.

## **5.0 PORT GLASGOW COMMUNITY CAMPUS**

- 5.1 Works commenced on site on 3<sup>rd</sup> October 2011 with original completion scheduled for mid-July 2013. A press statement was issued on 3<sup>rd</sup> October confirming that the project would not complete in time for occupation after the October holiday period as previously anticipated. The works on site are progressing toward completion with the Contractor targeting a Building Standards approval for early November with final snagging completed by the end of November and formal handover targeted for 2<sup>nd</sup> December. A revised timescale for transfer of the schools has been set (subject to final confirmation via the Scottish Government on exceptional closure dates) and is as follows:

- Craigmarnock School exceptional closure dates 4<sup>th</sup>, 5<sup>th</sup> and 6<sup>th</sup> December with first full day of operation Monday 9<sup>th</sup> December.
- St Stephen's and Port Glasgow High Schools exceptional closure dates 9<sup>th</sup>, 10<sup>th</sup> and 11<sup>th</sup> December with first full day of operation Thursday 12<sup>th</sup> December.

The project is within budget.

## **6.0 ARDGOWAN PRIMARY SCHOOL REFURBISHMENT**

- 6.1 The January 2013 Committee approved a revised project budget and scope of works for the Ardgowan Primary School Refurbishment project. As reported to the last Committee works to the decant facility at the former Sacred Heart Primary School building were carried out over the summer holiday period in preparation for the relocation of temporary modular accommodation from the temporary shared campus in Port Glasgow. With the delay to that project however the relocation of the modular accommodation has been affected and the move is now programmed to take place in December (weekend and out of hours working for actual building relocation) with the accommodation available for use at the end of January 2014. The two classrooms within St Andrew's PS currently being utilised by Ardgowan PS for senior classes will remain in use until that accommodation is available.

6.2 The main refurbishment project is approaching tender issue stage with formal Building Standards approval sought and detailed planning approval in place. Enabling works contracts are progressing with the demolition of the existing modular accommodation completed and asbestos removal works commencing on 14<sup>th</sup> October. The next key project milestones are tender issue and tender acceptance, achievement of which will allow firm dates to be set for the commencement and completion of the main project works. It is anticipated that the main construction contract will commence early 2014 to complete early 2015. Transfer of the school to the refurbished facility will be subject to final agreement with the school and stakeholders but is likely to align with the February mid-term or Easter 2015 holiday period to minimise disruption to the school. Officers from School Estate and Technical Services attended the September Parent Council meeting to provide an update on progress.

## 7.0 FINANCIAL IMPLICATIONS

7.1 The approved budget for 2013/14 is £21.117M. The expenditure at 30<sup>th</sup> September 2013 is £14.851M from a budget of £21.117M. This is expenditure of 70.33% of the budget after 50% of the year.

7.2 The current budget position as amended to reflect the decisions taken at the special budget meeting of the Council on Thursday 14<sup>th</sup> February 2013 and the October 2013 review of the School Estate Funding model being reported to this Committee is £88.934M, made up of £53.902M SEMP Supported Borrowing, £830k Non-SEMP Supported Borrowing and £34.202M Prudential Borrowing. The Current Projection is £88.934M.

| 7.3 | Education & Communities | Approved Budget<br>£000 | Current Position<br>£000 | Overspend /<br>(Underspend)<br>£000 |
|-----|-------------------------|-------------------------|--------------------------|-------------------------------------|
|     | Total School Estate     | 88,104                  | 88,104                   | -                                   |
|     | Total Non School Estate | 830                     | 830                      | -                                   |
|     | <b>Total</b>            | <b>88,934</b>           | <b>88,934</b>            | -                                   |

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

## 8.0 CONSULTATION

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

8.2 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.

## 9.0 EQUALITIES

9.1 There are no equalities issues.

## 10.0 REPOPULATION

10.1 There are no repopulation issues.

## **11.0 LIST OF BACKGROUND PAPERS**

- 11.1 Education Capital Programme Technical Progress Reports October 2013. (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 &amp; COMMUNITIES

| Project Name  | 1              | 2                 | 3                       | 4                    | 5                  | 6             | 7            | 8             | 9          | 10                       | 11                      |
|---|----------------|-------------------|-------------------------|----------------------|--------------------|---------------|--------------|---------------|------------|--------------------------|-------------------------|
|   | Est Total Cost | Actual to 31/3/13 | Approved Budget 2013/14 | Revised Est. 2013/14 | Actual to 30/09/13 | Est 2014/15   | Est 2015/16  | Future Years  | Start Date | Original Completion Date | Current Completion Date |
|   | £000           | £000              | £000                    | £000                 | £000               | £000          | £000         | £000          |            |                          |                         |
| <b>SEMP - Capital Programme Projects</b>            |                |                   |                         |                      |                    |               |              |               |            |                          |                         |
| Sacred Heart PS - Decant School Upgrade             | 500            | 120               | 264                     | 264                  | 149                | 116           | 0            | 0             | Sep-12     | -                        | Oct-13                  |
| St Columba's HS - Refurbishment of Gourrock HS      | 14,667         | 9,048             | 4,367                   | 5,175                | 4,729              | 444           | 0            | 0             | Jan-12     | Jun-13                   | Aug-13                  |
| Port Glasgow Community Campus - Craigmarloch        | 10,628         | 6,743             | 3,734                   | 3,734                | 2,758              | 151           | 0            | 0             | Oct-11     | Jul-13                   | Dec-13                  |
| Demolish Greenock Academy                           | 164            | 71                | 0                       | 0                    | 0                  | 0             | 91           | 2             | Sep-15     | -                        | Nov-15                  |
| Demolish St Stephens HS                             | 558            | 0                 | 150                     | 150                  | 3                  | 408           | 0            | 0             | Dec-13     | -                        | Jun-14                  |
| Demolish Lilybank                                   | 124            | 0                 | 77                      | 77                   | 0                  | 47            | 0            | 0             | Dec-13     | -                        | Mar-14                  |
| Primary Schools - Accelerated Programme (Various)   | 1,035          | 407               | 628                     | 628                  | 400                | 0             | 0            | 0             | Apr-12     | -                        | Mar-14                  |
| Ardgowan PS - Refurbishment                         | 5,091          | 97                | 1,657                   | 849                  | 232                | 3,959         | 186          | 0             | Jul-13     | -                        | Feb/Apr-15              |
| St Patrick's PS - Refurbishment                     | 5,342          | 0                 | 0                       | 0                    | 0                  | 215           | 2,417        | 2,710         | Jul-15     | -                        | Oct-16                  |
| Kings Oak PS Janitors House Demolition              | 20             | 0                 | 20                      | 20                   | 5                  | 0             | 0            | 0             | Oct-13     | -                        | Nov-13                  |
| St John's PS - Refurbishment                        | 2,215          | 0                 | 56                      | 56                   | 0                  | 1,307         | 791          | 61            | Jul-14     | -                        | Aug-15                  |
| Kilmacolm PS - Refurbishment                        | 3,655          | 0                 | 0                       | 0                    | 0                  | 145           | 1,869        | 1,641         | Jul-15     | -                        | Oct-16                  |
| St Mary's PS - Rewire                               | 270            | 0                 | 296                     | 270                  | 129                | 0             | 0            | 0             | Jul-13     | Oct-13                   | Nov-13                  |
| Balance of Lifecycle Fund                           | 2,005          | 0                 | 0                       | 0                    | 0                  | 487           | 601          | 917           |            |                          |                         |
| Balance of Contingency                              | 312            | 0                 | 489                     | 12                   | 0                  | 100           | 100          | 100           |            |                          |                         |
| Future Projects                                     | 6,587          | 0                 | 0                       | 0                    | 0                  | 19            | 377          | 6,191         |            |                          |                         |
| Complete on site                                    | 729            | 0                 | 226                     | 729                  | 421                | 0             | 0            | 0             |            |                          |                         |
| <b>Non Prudentially Funded SEMP</b>                 | <b>53,902</b>  | <b>16,486</b>     | <b>11,964</b>           | <b>11,964</b>        | <b>8,826</b>       | <b>7,398</b>  | <b>6,432</b> | <b>11,622</b> |            |                          |                         |
| <b>SEMP-Prudentially Funded Projects</b>            |                |                   |                         |                      |                    |               |              |               |            |                          |                         |
| Port Glasgow Community Campus - Secondary Schools   | 30,454         | 19,708            | 8,565                   | 7,765                | 5,410              | 2,981         | 0            | 0             | Oct-11     | Jul-13                   | Dec-13                  |
| Prudential Funding - Capital Project Contributions  | 1,140          | 0                 | 0                       | 640                  | 0                  | 500           | 0            | 0             |            |                          |                         |
| Lomond View Academy                                 | 2,503          | 1,790             | 483                     | 643                  | 615                | 70            | 0            | 0             | Jul-12     | Apr-13                   | Jul-13                  |
| Complete on site                                    | 105            | 0                 | 105                     | 105                  | 0                  | 0             | 0            | 0             |            |                          |                         |
|   | 34,202         | 21,498            | 9,153                   | 9,153                | 6,025              | 3,551         | 0            | 0             |            |                          |                         |
| <b>TOTAL SEMP CAPITAL</b>                           | <b>88,104</b>  | <b>37,984</b>     | <b>21,117</b>           | <b>21,117</b>        | <b>14,851</b>      | <b>10,949</b> | <b>6,432</b> | <b>11,622</b> |            |                          |                         |
| <b>Non-SEMP Capital Programme Projects</b>          |                |                   |                         |                      |                    |               |              |               |            |                          |                         |
| Whinhill/Kilmacolm/St. Ninians PS - Pitch Upgrading | 830            | 0                 | 0                       | 0                    | 0                  | 830           | 0            | 0             | Apr-14     | -                        | Mar-15                  |
|   | 830            | 0                 | 0                       | 0                    | 0                  | 830           | 0            | 0             |            |                          |                         |
| <b>TOTAL non-SEMP CAPITAL</b>                       | <b>830</b>     | <b>0</b>          | <b>0</b>                | <b>0</b>             | <b>0</b>           | <b>830</b>    | <b>0</b>     | <b>0</b>      |            |                          |                         |
| <b>TOTAL ALL CAPITAL PROJECTS</b>                   | <b>88,934</b>  | <b>37,984</b>     | <b>21,117</b>           | <b>21,117</b>        | <b>14,851</b>      | <b>11,779</b> | <b>6,432</b> | <b>11,622</b> |            |                          |                         |