
Report To:	Education & Communities Committee	Date:	9 September 2014
Report By:	Corporate Director Education, Communities & Organisational Development and Head of Finance	Report	EDUCOM/70/14/EM
Contact Officer:	Eddie Montgomery	Contact No:	01475 712472
Subject:	Education Capital Programme 2014 – 2016/17 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. A summary of the out turn for the 2013/14 Capital programme is also provided.

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 School Estate Funding Model as reported to the November 2013 Committee and covers the period 2014-2016/17.

2.3 Overall the Committee is projecting to contain the costs of the 2014-16/17 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.

2.5 The Education Capital programme out turned with spend £410,000 or 1.94% above the total 2013/14 phased spend i.e. there was no slippage within Education.

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 final out turn for 2013/14 and the good performance in delivering the 2013/14 Capital programme.

3.3 That the Committee approve the issue of tenders for the St John's Primary School Refurbishment & Extension project, and grant delegated authority to the Head of Legal & Property Services to accept the most economically advantageous tender provided the cost is within the budget allocation for the project.

- 3.4 That the Committee approve the investigation of advancement of the St Francis Primary School External Works project from 2015/16 to potentially absorb slippage elsewhere in the 2014/15 Capital Programme.

Patricia Cassidy
Corporate Director Education,
Communities &
Organisational Development
15th August 2014

Jan Buchanan
Head of Finance
15th August 2014

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 of 5th November 2013. 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 14 years. The Education Capital Programme detailed in this report shows details of projects which will incur expenditure up to March 2017.

5.0 ARDGOWAN PRIMARY SCHOOL REFURBISHMENT

- 5.1 Works commenced on site on 14th April to complete 13th April 2015. Downtakings, partial demolition and stripping out are complete with the new steel frame for the extension erected and secondary steelwork progressing. New floors internally are progressing well. Contractors progress photos are updated regularly on the project website: <http://www.ardgowanprimaryrefurbishment.co.uk/>
- During the partial stripping of the roof it became evident that there was a lack of underfelt throughout and this has led to more extensive works than originally anticipated. Additional re-pointing works were also identified following a detailed survey from the recently completed full scaffold. The project is currently reporting within budget however it should be noted that additional works required to the roof and external walls utilised the majority of the project contingency. The Contractor is currently reporting 1 week behind internally with roofing and external walls elements also behind due to the more extensive scope of works. The Contractor hopes to recover this time across the remainder of the programme. Transfer back to the completed facility is still planned to follow on after the Easter 2015 holiday period.

6.0 ST JOHN'S PRIMARY SCHOOL REFURBISHMENT

- 6.1 The December 2013 Education & Communities Committee approved the alteration of the project scope to include a nursery class extension with supplementary funding being available in connection with the implementation of the new Children and Young People Bill. The project is progressing to tender issue stage although it is currently being reported behind programme. Additional resources have been employed via Technical Services with a revised estimated tender issue date of September. The January 2014 Education & Communities approved a report recommending use of the former St Stephen's High School building for decant as an alternative to the former Highlanders Academy building as originally planned. Work within the former St Stephen's High School building is complete and arrangements are in place to allow decant of St John's to the former St Stephen's in August, with 3 exceptional closure days granted immediately after the school summer holidays to allow final preparation for the new term. Asbestos removal works have been scheduled for August within the existing building. The current anticipated programme for the main refurbishment and extension project, based on tenders being issued in September, should allow a site start in November and maintain an August 2015 completion. It should be noted that this is subject to tender issue, evaluation of returns and the tenders being returned within budget. The estimated cost of the project is £2.653M which includes the original capital allocation, a proportion of the Children & Young People 2014/15 grant allocation in respect of the nursery class extension, and a proportion of the £1.1M primary school MUGA allocation as all elements are being taken forward in a single contract. Permission to issue tenders and approval for delegated authority to accept the most economically advantageous tender is required.

7.0 ST PATRICK'S PRIMARY SCHOOL

7.1 The March 2014 Education & Communities Committee approved the progression of a new build for St Patrick's. The project is being progressed via hub West Scotland Ltd. and a project information pack has been prepared and submitted by the Client Services Team. Meetings have commenced and continue with hub West Scotland. Stakeholder consultation has commenced through the Client Services Team. Survey works have been undertaken within the existing school building and grounds over the summer holiday period. The procurement of the various design consultants is underway. The Client Services Team also met, and have further meetings scheduled with, the Scottish Futures Trust to discuss the progress on the reference project, the cost metrics and the current trend in construction inflation. It should be noted that the current Building Cost Information Service (BCIS) forecast for the next 6-12 months indicates that tender prices are likely to outstrip general inflation. This may impact the affordability model for St Patrick's and will be monitored closely throughout the design stages. The target programme remains as previously reported with anticipated construction start in summer 2015 to complete by October 2016.

8.0 KILMACOLM PRIMARY SCHOOL REFURBISHMENT

8.1 The Kilmacolm PS project has been advanced to Jul 15 – Jul 16 from Jul 22 – Jul 23 as part of the acceleration of the Primary School programme. The original proposals involve the use of temporary modular accommodation on site and phased refurbishment. Initial discussions have taken place with the School on the likely scope of the project. Further detailed consideration of the logistics of the project has been undertaken and the likely phasing required. The project is now being scoped by hub West Scotland for progression due to resource issues within Technical Services. The Client Services Team have issued an information pack to hub West Scotland for progression. Some initial survey work was undertaken over the summer holiday period. A consultation paper outlining the options for progressing the project in terms of decant has been prepared to allow discussion with the school and Parent Partnership at their next meeting in August. Thereafter it is planned that the paper will be posted to all parents and a public (parents) meeting held within the school to obtain feedback and inform the final decant option with an update paper to the November Committee. The target programme remains as previously reported with anticipated construction start in summer 2015 to complete by October 2016.

9.0 PRIMARY SCHOOL BLAES PITCH UPGRADING

9.1 Funding for the above was allocated in 2014/15 to address upgrading of 3 primary schools with blaes pitches. An update on each is included below:

- Whinhill PS MUGA – the project is substantially complete with minor works outstanding only.
- St Ninian's PS MUGA - tenders have been issued and will be returned at the end of August. Planning and building warrant submissions have been made and are in progress. Anticipated start September/October. It should be noted that due the limitations on laying polymeric surfacing between September-March in the West of Scotland it is likely that final completion will not be possible until late March/early April subject to a suitable weather window.
- It is recommended that the progression of Kilmacolm PS pitch/MUGA be considered as part of the main refurbishment project. It is intended that an update paper will be submitted to the November Committee upon completion of the consultation outlined in 8.1 above.

10.0 PRIMARY SCHOOL Multi-Use Games Areas (MUGA's)

10.1 As part of the Council's recent budget setting exercise £1.1M funding for the above was allocated subject to confirmation of the 2015/16 flat cash settlement which was subsequently confirmed at the May Policy & Resources Committee. Technical Services have commenced initial services investigation and topographical / ground investigation surveys. The initial survey work indicates that 7 of the 8 sites are feasible with the only site that may present difficulty being Inverkip PS due to existing services and limited space within the school grounds. As noted in 9.1 above polymeric surfacing and artificial turf are not recommended to be laid in the West of Scotland between the months of September and March, it should be possible to construct 90% of any MUGAs progressed in the current financial year leaving the final top coat to be laid in a suitable weather window. It is anticipated that a package of work will be ready to proceed to tender by November and therefore an update report requesting permission to issue tenders will be submitted to the November Committee.

11.0 EARLY YEARS PROJECTS

11.1 A separate update report on the implementation of 600 hours of Early Learning and Childcare, providing information on the resource requirements and financial implications of the increases in entitlement, appears later on the agenda for this Committee. The report deals with action taken for session 2014/15, further development for 2014/15 and possible developments for 2015/16. Four projects have been commissioned to date with three taken forward over the 2014 summer holiday period:

- Minor adaptations to Kings Oak nursery (completed summer 2014).
- Minor adaptations to Lady Alice PS nursery to extend provision for 3 and 4 year olds (completed summer 2014).
- Creation of a 40 place provision for 2-3 year olds within Gibshill Children's Centre (completed summer 2014).
- Development of new nursery class provision within St John's PS as part of major refurbishment project (tender issue awaited).

Further projects with indicative timescales are listed within the separate report. The Client Services Team are currently working with the Early Years Manager to develop an Early Years Estate Management Plan which brings together the investment required in connection with new legislation with the current capital funding allowances for refurbishment.

12.0 POSSIBLE ADVANCEMENT OF 2015/16 PLANNED EXPENDITURE

12.1 No slippage is currently being reported, however as noted in the text of 6.1 above the St John's Primary School refurbishment and extension project is slightly behind programme and it is likely that there will be some slippage as a result. It should also be noted that a significant proportion of the 2014/15 Children & Young People grant allocation is set against St John's Nursery so any slippage on the main project will impact on that allowance also. It is requested that the Committee approve the investigation of advancing planned 2015/16 expenditure in respect of the proposed external works project within St Francis Primary School. The SEMP model currently has an allocation of £405K to address upgrading of the external areas as this element was not addressed as part of the refurbishment project carried out and completed in 2004. The current outline programme has this project being carried out largely over summer 2015 but it should be possible to advance some of this work accepting that as the works are external, progression will be weather dependent. It is recommended that this be investigated and spend advanced if possible to assist addressing potential slippage in the current 2014/15 programme.

13.0 IMPLICATIONS

Finance

13.1 The approved budget for 2014/15 is £8.431M. The expenditure at 31st July 2014 is £1.049M from a budget of £21.117M. This is expenditure of 12.44% of the budget after 33.33% of the year. No slippage is currently being reported, however as noted in the text of 12.1 above, the St John's Primary School refurbishment and extension project is slightly behind programme and it is likely that there will be some slippage as a result.

13.2 The 2013/14 programme out turned at 1.94% greater spend than phased budget i.e. there was no slippage within Education. An analysis of the slippage/spend by individual capital project for the Education Committee is presented in Appendix 2.

13.3 The current budget position reflects the following:

- October/November 2013 review of the School Estate Funding model.
- Policy & Resources Committee decision of 4th February 2014 to return £500K of unallocated contingency to the overall programme.
- Council budget meeting of 20th February 2014 allocating £1.1M to provide small Multi-Use Games Areas within 8nr Primary Schools with no current provision.

The current budget is £31.8M, made up of £27.046M SEMP Supported Borrowing, £1.930M Non-SEMP Supported Borrowing and £2.824M Prudential Borrowing. The Current Projection is £31.8M.

13.4	Education & Communities	Approved Budget £000	Current Position £000	Overspend / (Underspend) £000
	Total School Estate	29,870	29,870	-
	Total Non School Estate	1,930	1,930	-
	Total	31,800	31,800	-

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

Legal

13.6 There are no legal issues.

Human Resources

13.7 There are no human resources issues.

Equalities

13.8 There are no equalities issues.

Repopulation

13.9 There are no repopulation issues.

14.0 CONSULTATION

- 14.1 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.
- 14.2 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.

15.0 LIST OF BACKGROUND PAPERS

- 15.1 Education Capital Programme Technical Progress Reports August 2014. (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 & COMMUNITIES

Project Name	1	2	3	4	5	6	7	8	9	10	11
	Est Total Cost	Actual to 31/3/14	Approved Budget 2014/15	Revised Est. 2014/15	Actual to 31/07/14	Est 2015/16	Est 2016/17	Future Years	Start Date	Original Completion Date	Current Completion Date
	£000	£000	£000	£000	£000	£000	£000	£000			
SEMP - Capital Programme Projects											
Demolish Greenock Academy	164	71	0	0	0	91	2	0	Sep-15	-	Nov-15
Demolish St Stephens HS	558	3	0	0	0	147	408	0	Dec-15	-	Jun-16
Demolish Lilybank	89	3	121	86	5	0	0	0	Jul-14	-	Oct-14
Ardgowan PS - Refurbishment	5,326	561	3,134	3,134	744	1,631	0	0	Apr-14	Apr-15	Apr-15
St Patrick's PS - Refurbishment	5,342	0	215	215	6	2,417	2,572	138	Jul-15	-	Oct-16
St John's PS - Refurbishment	2,215	38	1,059	1,059	29	1,064	54	0	Oct-14	-	Aug-15
Kilmacolm PS - Refurbishment	3,655	0	145	145	0	1,869	1,541	100	Jul-15	-	Oct-16
Early Years (C&YPB - 600Hrs)	835	0	413	413	3	422	0	0			
Lifecycle Fund	2,005	0	487	487	0	601	917	0			
Balance of Contingency	344	0	59	94	0	50	100	100			
Future Projects *	6,587	0	19	19	0	377	243	5,948			
Complete on site	426	0	426	426	0	0	0	0			
Non Prudentially Funded SEMP	27,546	676	6,078	6,078	787	8,669	5,837	6,286			
SEMP-Prudentially Funded Projects											
Capital Project Contribution - Ardgowan PS	500	0	0	0	0	500	0	0			
Complete on site	1,824	0	1,824	1,824	147	0	0	0			
	2,324	0	1,824	1,824	147	500	0	0			
TOTAL SEMP CAPITAL	29,870	676	7,902	7,902	934	9,169	5,837	6,286			
Non-SEMP Capital Programme Projects											
Whinhill/Kilmacolm/St. Ninians PS - Blaes Pitch Upgrading	830	31	529	529	115	270	0	0	Apr-14	-	Mar-16
Primary School MUGA's - Various	1,100	0	0	0	0	1,100	0	0	Apr-14	-	Mar-16
	1,930	31	529	529	115	1,370	0	0			
TOTAL non-SEMP CAPITAL	1,930	31	529	529	115	1,370	0	0			
TOTAL ALL CAPITAL PROJECTS	31,800	707	8,431	8,431	1,049	10,539	5,837	6,286			

* The Future Projects allowance includes expenditure on projects within the reporting period only. The SEMP model includes allowances for the future refurbishment of Moorfoot PS, St Mary's PS, Lady Alice PS, St Ninian's PS and works to Gourrock PS.