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<b>Report To:</b>	<b>Education &amp; Communities Committee</b>	<b>Date:</b>	<b>4 November 2014</b>
<b>Report By:</b>	<b>Corporate Director Education, Communities &amp; Organisational Development and Head of Finance</b>	<b>Report</b>	<b>EDUCOM/82/14/EM</b>
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<b>Subject:</b>	<b>Education Capital Programme 2014 – 2016/17 Progress</b>		

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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. 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 review of the School Estate Funding Model as reported to the November 2013 and covers the period 2014-2016/17. It should be noted that a revised School Estate Funding Model is included later on the agenda for approval.
- 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.

## **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 tender return position and savings exercise carried out in respect of the St Ninian's Primary School Multi-Use Games Area project, and approve:
- Utilisation of £55K from the £1.1M Primary School Multi-Use Games Area budget.
  - Acceptance of the adjusted lowest acceptable tender subject to planning approval being granted.
- 3.3 That the Committee approve the progression of the Kilmacolm Primary School Multi-Use Games Area as part of the main refurbishment project as outlined in 8.1 and 9.1.

- 3.4 That the Committee approve the issue of tenders for the Primary School Multi-Use Games Areas as outlined in section 10.1 of the report, and grant delegated authority to the Head of Legal & Property Services to accept the lowest acceptable tender provided the cost is within the budget allocation for the project.
- 3.5 That the Committee note the review of the School Estate Funding Model which is a separate item on the agenda.

Patricia Cassidy  
Corporate Director Education,  
Communities &  
Organisational Development  
10<sup>th</sup> October 2014

Jan Buchanan  
Head of Finance  
10<sup>th</sup> October 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 5<sup>th</sup> November 2013. This allocation forms the basis of the School Estate Programme to completion. A revised School Estate Funding Model is covered under separate report on the agenda for this Committee.
- 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 14<sup>th</sup> April to complete 13<sup>th</sup> April 2015. Downtakings, partial demolition and stripping out are complete. The steel frame for the extension has been erected with floor slab poured and work progressing on the framing and cladding working towards achieving wind and weather tight status. Within the existing building new internal floors, partitions, new window and linings are progressing well with mechanical and electrical first fix underway. Roofing works are nearing completion with external repointing also progressing well. The Contractor is currently reporting 2 weeks behind on the extension element, on programme within the existing building and is confident of recovering time on the extension across the remainder of the programme to remain on programme overall. Contractors progress photos are updated regularly on the project website: <http://www.ardgowanprimaryrefurbishment.co.uk/> The transfer to the completed facility is scheduled to take place after the Easter 2015 holiday period as previously reported.

## **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. St John's Primary School are currently operating from temporary decant accommodation within the former St Stephen's High School building following transfer in August. Advance asbestos removal works have now completed within the existing St John's Primary School 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 however that this is subject to evaluation of returns and the tenders being returned within budget. Tenders for the main refurbishment project were issued on the 22<sup>nd</sup> September (issue approved by September Committee) and are due for return on the 20<sup>th</sup> October. It is anticipated that an update paper will be available for the Committee subject to tender evaluation progressing normally.

## **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 procurement of the project is being progressed via hub West Scotland Ltd. and is being managed by the Client Services Team. Regular meetings continue with hub West Scotland as the project is progressed through the Hub stages. The design consultants have been procured and are in place with design work progressing towards Architectural Stage C. The appointment of the main Contractor is underway with first stage tenders returned and interviews taking place during mid-October with a view to appointment by the end of October. Stakeholder

consultation has re-commenced through the Client Services Team and Architect with meetings held involving pupils, staff and the parent council providing an update and opportunity to influence the design prior to concluding Architectural Stage C. Further survey works are being undertaken within the existing school grounds over the October holiday period to assist the detail design of the new building. 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 Primary School project has been advanced 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 took place with the School and Parent Partnership on the likely scope of the project and further consideration of the logistics of the project was undertaken on the likely phasing required. A consultation paper outlining options for progression of the project was prepared and discussed with the school and Parent Partnership in early September. A separate report on the outcome of the consultation exercise including recommendation for progression of the project is included on the agenda for this Committee. The project is being procured through hub West Scotland due to resource issues within Technical Services. The Client Services Team are liaising with hub representatives and have prepared and issued a comprehensive briefing package. A detailed programme is currently being prepared by hub West Scotland. It is anticipated that all design consultants and the main contractor will be procured and placed during October/November. Further survey work within the existing building and grounds is planned over the October holiday period and beyond to inform the detail design. The target programme remains as previously reported with anticipated construction start in 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 blaes pitches within three primary schools. An update on each is included below:

- Whinhill PS MUGA – the project is complete and in use.
- St Ninian's PS MUGA - tenders were issued on the 30<sup>th</sup> July and returned on the 27<sup>th</sup> August. The tender returns exceeded the project budget with the lowest acceptable tender some £80K in excess of the allocated funding. A savings exercise was undertaken however the only real saving possible is the omission of the floodlighting which would reduce the projected shortfall to £55K. The cost increase on the project is in connection with works required to address site specific ground conditions at the St Ninian's site as previously outlined to Committee. It should also be noted that the project has been the subject of further delay in connection with the planning approval process having received a number of objections from local residents necessitating submission to the Planning Board in November. As also reported to the previous Committee the limitations on laying polymeric surfacing between September-March in the West of Scotland will impact final completion of the MUGA which is not likely to be possible until late March/early April subject to a suitable weather window. The Committee is asked to approve the allocation of £55K from the £1.1M Primary School MUGA budget to address the funding gap. The Committee is also asked to approve the acceptance of the adjusted tender reflecting omission of the floodlighting subject to planning approval being granted.
- Kilmacolm PS Pitch/MUGA - it is recommended that progression be considered as part of the main refurbishment project covered in 8.1 above.

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

10.1 As part of the Council's 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 were commissioned to investigate the feasibility of the MUGAs and have now completed services investigation and topographical / ground investigation surveys. The final survey work indicates that all 8 sites are now feasible. A series of proposals and limited siting options have been discussed with the schools with preferred locations now agreed. As noted in 9.1 above and as previously reported to the Committee, polymeric surfacing and artificial turf are not recommended to be laid in the West of Scotland between the months of September and March, however 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 tenders will be issued in 2 lots and detailed tender documents are currently being prepared for issue. A detailed cost check is currently being prepared however based on cost estimates prepared for similar sized MUGA projects it is anticipated that the cost will be within the £1.1M allocation sufficient to allow the allocation of £55K funding to the St Ninian's Primary School MUGA project to address the current funding gap outlined in 9.1 above. It is recommended that the Committee approve the issue of tenders for the Primary School Multi-Use Games Areas project, and grant delegated authority to the Head of Legal & Property Services to accept the lowest acceptable tender provided the cost is within the budget allocation for the project.

## **11.0 IMPLICATIONS**

### **Finance**

11.1 The approved budget for 2014/15 is £8.732M. The expenditure at 30<sup>th</sup> September 2014 is £2.432M from a budget of £8.732M. This is expenditure of 27.85% of the approved budget after 50% of the year. Following review of the current projects and the likely spend profiles, slippage of £1.066M (12.21%) is being reported on the following:

- St John's Primary School project - £328K (3.76%).
- Early Years allocation for Nursery Class Extension at St John's PS - £300K (3.44%).
- 2014/15 Lifecycle Fund - £87K (1%).
- Kilmacolm PS MUGA and part St Ninian's PS MUGA - £320K (4.02%).

The expenditure of £2.432M at 30<sup>th</sup> September is 31.72% of the revised projection of £7.666M.

11.2 The Committee is asked to note that the projected slippage outlined above may be partially or fully offset by the following:

- Ardgowan Primary School remaining on programme with the majority of expenditure 2014/15.
- Minor advancement of future years expenditure on partial strip works within former St Stephen's High School and services disconnections within the former Greenock Academy ahead of demolition now advanced.
- Expenditure 2014/15 on Primary School Multi-Use Games Areas (subject to Committee approval to proceed).
- Possible expenditure on St Francis Primary School External Works as approved in principle for advancement at the September 2014 Committee (subject to detail design progression and seasonal restrictions/limitations).

11.3 The current budget position reflects the following:

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

The current budget is £32.46M, made up of £28.172M SEMP Supported Borrowing, £1.930M Non-SEMP Supported Borrowing and £2.324M Prudential Borrowing. The Current Projection is £32.46M.

Education & Communities	Approved Budget £000	Current Position £000	Overspend / (Underspend) £000
Total School Estate	30,496	30,496	-
Total Non School Estate	1,930	1,930	-
<b>Total</b>	<b>32,426</b>	<b>32,426</b>	-

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

#### **Legal**

11.6 There are no legal issues.

#### **Human Resources**

11.7 There are no human resources issues.

#### **Equalities**

11.8 Has an Equality Impact Assessment been carried out?

<input type="checkbox"/>	YES (see attached appendix)
<input checked="" type="checkbox"/>	NO - This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy. Therefore, no Equality Impact Assessment is required. See below.

Individual projects consider DDA issues as part of the development of the detailed designs and Building Standards approval (where required). There are no equalities issues.

#### **Repopulation**

11.9 The regeneration works outlined in this report should contribute to retaining and increasing the population within the area. There are no repopulation issues.

## **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 Communications 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 Property Services has not been consulted.

## **13.0 LIST OF BACKGROUND PAPERS**

- 13.1 Education Capital Programme Technical Progress Reports October 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 &amp; 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 30/09/14	Est 2015/16	Est 2016/17	Future Years	Start Date	Original Completion Date	Current Completion Date
	£000	£000	£000	£000	£000	£000	£000	£000			
<b>SEMP - Capital Programme Projects</b>											
Demolish Greenock Academy	164	71	0	0	0	91	2	0	Apr-15	-	Jul-15
Demolish St Stephens HS	558	3	0	0	0	147	408	0	Dec-16	-	Jun-17
Demolish Lilybank	89	3	121	86	60	0	0	0	Jul-14	-	Oct-14
Ardgowan PS - Refurbishment	5,326	561	3,134	3,134	1,791	1,631	0	0	Apr-14	Apr-15	Apr-15
St Patrick's PS - Refurbishment	5,342	0	215	215	22	2,417	2,572	138	Jul-15	-	Oct-16
St John's PS - Refurbishment	2,215	38	1,059	731	69	1,392	54	0	Nov-14	-	Aug-15
Kilmacolm PS - Refurbishment	3,655	0	145	145	5	1,869	1,541	100	Jul-15	-	Oct-16
Early Years (C&YPB - 600Hrs + 2Yr Olds)	1,461	0	413	113	5	1,348	0	0			
Lifecycle Fund	2,005	0	487	400	57	688	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			
<b>Non Prudentially Funded SEMP</b>	<b>28,172</b>	<b>676</b>	<b>6,078</b>	<b>5,363</b>	<b>2,009</b>	<b>10,010</b>	<b>5,837</b>	<b>6,286</b>			
<b>SEMP-Prudentially Funded Projects</b>											
Capital Project Contribution - Ardgowan PS	500	0	0	0	0	500	0	0			
Complete on site	1,824	0	1,824	1,824	184	0	0	0			
	2,324	0	1,824	1,824	184	500	0	0			
<b>TOTAL SEMP CAPITAL</b>	<b>30,496</b>	<b>676</b>	<b>7,902</b>	<b>7,187</b>	<b>2,193</b>	<b>10,510</b>	<b>5,837</b>	<b>6,286</b>			
<b>Non-SEMP Capital Programme Projects</b>											
Whinhill/Kilmacolm/St. Ninians PS - Blaes Pitch Upgrading	830	31	830	479	239	320	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	830	479	239	1,420	0	0			
<b>TOTAL non-SEMP CAPITAL</b>	<b>1,930</b>	<b>31</b>	<b>830</b>	<b>479</b>	<b>239</b>	<b>1,420</b>	<b>0</b>	<b>0</b>			
<b>TOTAL ALL CAPITAL PROJECTS</b>	<b>32,426</b>	<b>707</b>	<b>8,732</b>	<b>7,666</b>	<b>2,432</b>	<b>11,930</b>	<b>5,837</b>	<b>6,286</b>			

\* 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.