
Report To:	Education & Communities Committee	Date:	19 January 2016
Report By:	Corporate Director Education, Communities & Organisational Development and Chief Financial Officer	Report	EDUCOM/12/16/EM
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Subject:	Education Capital Programme 2015 – 2018 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 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 2015 Committee and covers the period 2015/18.
- 2.3 Overall the Committee is projecting to contain the costs of the 2015/18 Capital Programme within available budgets.
- 2.4 Expenditure at 30th November is 69.42% of 2015/16 approved budget; there is net accelerated spend from future years of £385k being reported. This has arisen due to a number of existing projects projections being revised to reflect current progress, details of which are included in the body of the report (para 12.1).

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 Management Plan and options for acceleration including investment required across the Early Years Estate which is a separate item on the agenda.
- 3.3 That it be remitted to the Head of Legal and Property Services to negotiate a settlement of the claims arising from the damage to the wall (para 6.3) and to progress that with the Contractor for the St John's Primary School project and to complete the necessary renewal works as early as is practical.

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 3rd November 2015.
- 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 remainder of the programme runs for more than 10 years. The Education Capital Programme detailed in this report shows details of projects which will incur expenditure up to March 2018.

5.0 ARDGOWAN PRIMARY SCHOOL REFURBISHMENT

- 5.1 The school has been operational since August 2015 and the project is currently within the defects liability period. The Committee has previously been advised of and approved cost increases in connection with the project with the most significant being in connection with the reinstatement of the retaining wall. There is currently no confirmed insurance position in respect of the retaining wall and this is currently being dealt with by the loss adjustors. The final account for the project has also yet to be agreed with the main contractor. The Committee is requested to note that, subject to a final agreed insurance position and agreement of the final account for the main contract, additional funding may be required. A further report will be brought to Committee in due course.

6.0 ST JOHN'S PRIMARY SCHOOL REFURBISHMENT

- 6.1 The school transferred back to the refurbished and extended St John's Primary School building at the end of September with the first day of operation 1st October. The Client Services Team continues to work with the school and stakeholders in conjunction with the Contractor to address snagging and defects utilising out of hours working as required during the defects liability period. The Nursery Class is planned to be operational as of January 2016.
- 6.2 As previously reported to Committee, during the final stages of clearing the site and the process of removing the Contractor's temporary accommodation from the playground, damage was caused to the public footway and sections of the existing wall along Glen Avenue. Temporary works including fencing and traffic management were put in place to allow the school to occupy and these will remain in place until the remedial works to the wall can be completed and these costs are currently being borne by the Contractor. Following more detailed investigation of the existing wall some historical movement has been identified in areas outwith the vicinity of the damage caused by the Contractor and although the Contractor will bear the repair costs for this portion, the Council is properly responsible for the renewal of the remaining portion as it is life expired. The full scope of remedial works has now been established which will involve strengthening of the wall along a substantial proportion of the entire wall on Glen Avenue. A number of options were investigated with a preferred solution now identified.
- 6.3 The proposed works will address both the damaged areas and the existing deficiencies now identified in the wall to extend the life of the structure in line with that of the refurbished main school building. The Committee is asked to note the position and the projected additional expenditure on the current contract. It is proposed to contain the cost of the proposed works within the current capital programme through allocation of a proportion of future years lifecycle funding. The estimated cost of the works is circa £150K. It is proposed that the works be undertaken by the existing main Contractor with the cost of the works established where applicable at rates comparable to those

for similar works in the existing contract and through competitive tender to suitable sub-contractors. The Contractor has also committed to working on an open book basis in respect of the actual cost to ensure that value for money is demonstrated and the best possible price obtained for the works. This approach will allow the works, which have become necessary through unforeseen circumstances, to be taken forward at the earliest opportunity and minimise any further disruption / major inconvenience to the school and is in the best interests of the Council and the school community. The proposal resolves the claim position with the Contractor with a fair contribution being negotiated on these agreed principles and authority is sought for this solution (para 3.3) in accordance with Standing Order 11.1 of the Standing Orders Relating to Contracts. Technical Services are currently preparing a schedule of works for pricing by the main Contractor based on the preferred solution. It is anticipated that the works will be in a position to commence early in the new calendar year to complete as soon as possible thereafter.

7.0 ST PATRICK'S PRIMARY SCHOOL

7.1 The St Patrick's Primary School project commenced on site on Monday 10th August 2015 to complete October 2016. Works are currently on-going on the alterations to the main entrance to the site including the formation of a new retaining wall and access road. The structural steel frame is complete with the first floor slab planned for completion prior to the Christmas holiday period. Drainage works are well advanced with attenuation tank installation imminent. Main electricity and water connections to the site are also now in place. Transfer to the new facility is programmed after the October 2016 holiday period as previously reported to Committee.

8.0 KILMACOLM PRIMARY SCHOOL REFURBISHMENT

8.1 The Kilmacolm Primary School project commenced on site on Monday 19th October to complete October 2016. The decant of the existing school was progressed over the October holiday period with the main school now operating from the former St Stephen's HS decant facility and the Nursery Class operating from temporary modular accommodation within the grounds of the existing school. The Contractor has made good progress on the initial stripping out and duntakings works however on Monday 14th December there was a small fire on site as a result of the Contractor's stripping out operations which resulted in some damage to the existing structure and fabric/finishes within the kitchen area. The full extent of the damage is currently being assessed by the Contractor and Design Team including required remedial works. The main contract works resumed on Tuesday 15th December. The Nursery experienced some disruption on the PM of the 14th but was operational as normal thereafter. The Client Services team are maintaining regular contact with the School and Parent Partnership throughout the project.

9.0 PRIMARY SCHOOL MULTI-USE GAMES AREAS (MUGAs)

9.1 Funding for the above was allocated as part of the Council's budget setting exercise early in 2014. Works have been completed at all of the primary schools originally programmed to receive the investment. The September 2015 Education and Communities Committee approved the utilisation of the projected budget underspend to address the provision of Multi-Use Games Areas at Gourrock and Moorfoot Primary Schools. An update on the current position of the remaining projects is included below:

- Moorfoot PS MUGA – Tender returned, evaluated and acceptance issued. Site start programmed for early in the new calendar year.
- Gourrock PS MUGA – Tenders returned and being evaluated. Anticipated that acceptance could be issued prior to Christmas holiday period subject to evaluation process with site start to be agreed early in the new calendar year.

10.0 DEMOLITION WORKS

10.1 Former Greenock Academy – as previously reported to Committee additional asbestos debris was discovered during the final stage of the demolition works. Further extensive testing has been undertaken across the site to establish to full extent of the issue. The site investigation and testing report has now been received with the specialist consultant review underway to establish the best solution for the site. The site continues to be monitored in accordance with the recommendations of the specialist. As previously noted, an additional funding allocation of £420k was approved and allocated from reserves and placed against the current budget line pending final scoping and tendering of the completion works.

11.0 EARLY YEARS PROJECTS

11.1 Following the update reports to Committee on the implementation of 600 hours of Early Learning and Childcare, the Client Services Team and Early Years Service identified a prioritised list of 2015/16 projects for progression. An update on the current position of each is included below:

- Binnie Street Children's Centre – Remodelling to introduce provision for 2-3 years olds. Works were completed during the 2015 summer holiday period.
- Rainbow Family Centre – Minor adaptations to increase 2-3 year olds provision. Works were completed during the 2015 Easter holiday period.
- Wellpark Children's Centre – Minor adaptations to increase 2-3 year olds provision. Works were completed during the 2015 summer holiday period.
- Larkfield Children's Centre – Remodelling and refurbishment to comply with new legislation. The Service was temporarily decanted to the former Garvel Deaf Centre building and within one of the modular units at the former Sacred Heart PS decant facility. Works commenced on site in August and were completed in October 2015.
- Kilmacolm Nursery Class – Remodelling and refurbishment as part of the major refurbishment contract. Update covered above (para 7.1).

11.2 A separate report on the potential acceleration of the School Estate Management Plan and the Early Years Estate investment strategy beyond the projects identified above is included elsewhere on the agenda for this Committee.

12.0 IMPLICATIONS

Finance

12.1 The expenditure at 30th November 2015 is £4.512m from a budget of £6.5m. This is expenditure of 69.42% of the approved budget after 66.67% of the year. No slippage is currently being reported with net accelerated spend of £385k. Following review of the current projects and the likely spend profiles, revised profiles are being reported on the following (the majority of this remains as reported to the November Committee):

- Greenock Academy Demolition – minor increased spend in the current year due to cost increase for issues note in 9.1 above.
- Ardgowan PS Refurbishment & Extension – increased spend in the current

- year due to retaining wall works previously reported to Committee.
- St Francis PS External Works – decreased spend in the current year due to tenders returned under budget (balance returned to contingency in future years).
- Primary School MUGAs – decreased spend in the current year due to projected budget underspend. As outlined in 8.1 above it is anticipated that there will be spend in the current financial year on the Moorfoot and Gourrock PS MUGA projects. An estimate of the likely expenditure has been included subject to start on site in the new calendar year and construction progress over the winter period.
- Free School Meals Capital Grant – revised projection (decrease).

12.2 The current budget position reflects the following:

- SEMP model approved by Committee in November 2015.
- Grant funding received in respect of implementation of the Children & Young People Bill and Free School Meals.
- Grant funding projected to be received in respect of project specific awards in connection with the Scotland’s Schools for the Future programme.

The current budget is £34.330m, made up of £30.627m SEMP Supported Borrowing, £1.930m Non-SEMP Supported Borrowing and £1.773m Prudential Borrowing. The Current Projection is £34.330m.

12.3	Education & Communities	Approved Budget £000	Current Position £000	Overspend / (Underspend) £000
	Total School Estate	32,400	32,400	-
	Total Non School Estate	1,930	1,930	-
	Total	34,330	34,330	-

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

Legal

12.5 There are no legal issues.

Human Resources

12.6 There are no human resources issues.

Equalities

12.7 Has an Equality Impact Assessment been carried out?

	YES (see attached appendix)
X	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

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

13.0 CONSULTATION

13.1 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.

13.2 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.

14.0 LIST OF BACKGROUND PAPERS

14.1 Education Capital Programme Technical Progress Reports December 2015. (A technical progress report is a project specific report which details the financial and progress position for current projects which have a legal commitment).

EDUCATION 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 31/3/15	Approved Budget 2015/16	Revised Est. 2015/16	Actual to 30/11/15	Est. 2016/17	Est. 2017/18	Future Years	Start Date	Original Completion Date	Current Completion Date
	£000	£000	£000	£000	£000	£000	£000	£000			
SEMP Projects											
Demolish Greenock Academy	746	641	71	95	78	10	0	0	Jan-15	-	Aug-15
Demolish St Stephens HS	500	500	0	0	0	0	0	0	Jan-17	-	Jun-17
Ardgowan PS - Refurbishment & Extension	6,203	5,443	333	760	760	0	0	0	Apr-14	Apr-15	Aug-15
St Patrick's PS - New Build	7,012	123	1,975	1,975	742	4,714	200	0	Aug-15	-	Oct-16
St John's PS - Refurbishment & Extension	2,796	869	1,675	1,675	1,530	252	0	0	Dec-14	-	Sep-15
Kilmacolm PS - Refurbishment	4,270	56	958	958	194	3,156	100	0	Oct-15	-	Oct-16
Early Years (C&YPB - 600Hrs + 2Yr Olds)	1,431	124	314	314	280	993	0	0	Apr-14	-	Mar-17
Early Years Establishments - Refurbishment	1,331	0	0	0	0	1,264	67	0	Apr-16	-	Mar-17
St Francis PS - External Works	240	11	327	216	216	13	0	0	Jun-15	-	Aug-15
Free School Meals Capital Grant	60	0	60	33	10	27	0	0	Apr-15	-	Mar-16
Lifecycle Fund	2,848	378	210	297	297	1,045	1,128	0	Apr-14	-	Mar-18
Balance of Contingency	271	0	65	48	35	158	65	0			
Future Projects *	4,610	0	0	0	0	166	1,748	2,696			
Complete on site	585	0	0	6	6	579	0	0			
TOTAL SEMP	32,903	8,145	5,988	6,377	4,148	12,377	3,308	2,696			
Non-SEMP Projects											
Whinhill/St Ninians PS - MUGA/Blaes Pitch Upgrades	625	504	26	84	84	37	0	0	Apr-14	-	Aug-15
Primary School MUGA's - Various	802	49	486	430	280	323	0	0	Apr-14	-	Apr-16
TOTAL non-SEMP	1,427	553	512	514	364	360	0	0			
TOTAL ALL PROJECTS	34,330	8,698	6,500	6,891	4,512	12,737	3,308	2,696			

* 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.