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| Report To: | Education & Communities Committee | Date: | 8 March 2016 |
| Report By: | Corporate Director Education, Communities & Organisational Development and Chief Financial Officer | Report | EDUCOM/26/16/EM |
| Contact Officer: | Eddie Montgomery | Contact No: | 01475 712472 |
| 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 31st January is 99.2% of 2015/16 approved budget; there is net accelerated spend from future years of £1.019m 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 that a final decision on the School Estates Acceleration Plan will be taken as part of the 2016/18 Budget on 10 March 2016.

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Corporate Director Education,
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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 ST JOHN'S PRIMARY SCHOOL REFURBISHMENT

- 5.1 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 with good progress made. The January Committee approved the utilisation of future years lifecycle funding to address the required works to the Glen Avenue retaining wall. The Contractor has been engaged and is currently pricing the works. There has been a slight delay in finalising the proposals as a result of discussions with Building Standards on the detail at the rear of the new multi-use games area. Officers are currently finalising this in conjunction with the external design consultant and Contractor. An official opening of the school is planned for Wednesday 9th March 2016.

6.0 ST PATRICK'S PRIMARY SCHOOL

- 6.1 The St Patrick's Primary School project commenced on site on Monday 10th August 2015 to complete October 2016. The structural steel frame and first floor slab works are complete. Drainage and attenuation tank works are also complete as are the works at the main entrance to the site including the formation of a new retaining wall. Electricity and water connections to the site are in place (existing gas retained and in place). The roof liner sheeting is now substantially completed with work on the secondary steel framing system commencing shortly. Brickwork underbuild and substructure works are complete to the perimeter with superstructure brick and block works on-going at the gym/assembly hall section. The Contractor is currently on programme with transfer to the new facility programmed after the October 2016 holiday period as previously reported to Committee.

7.0 KILMACOLM PRIMARY SCHOOL REFURBISHMENT

- 7.1 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 2015 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 is making good progress with stripping out and downtakings works complete. Internal partition and lining/insulation works to external walls are on-going. First fix mechanical and electrical works are also underway with works to structure of the minor infill extensions well advanced. Works are also on-going externally on the multi-use games area with the existing red blaes removed and preparation for drainage and attenuation tank installation nearing completion. The Scottish Government issued a press release on 25th January 2016 confirming that the Kilmacolm PS project was one of 19 schools across Scotland which would receive funding as part of the final phase of the 'Schools for the Future' programme. Officers are currently working with the Scottish Futures

Trust and anticipate that the funding support amount will be confirmed by mid-February. The Client Services team are maintaining regular contact with the School and Parent Partnership throughout the project.

8.0 PRIMARY SCHOOL MULTI-USE GAMES AREAS (MUGAs)

8.1 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 – Works commenced January to complete April (subject to suitable weather window for final surfacing). The majority of the groundworks are now complete.
- Gourrock PS MUGA – Works scheduled to commence 22nd February to complete April (subject to suitable weather window for final surfacing).

9.0 DEMOLITION WORKS

9.1 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. The Committee is asked to note that the original demolition contractor is currently in dispute with the Council and this is subject to an adjudication process which is currently on-going. An update report on the outcome and proposals for the site will be brought to Committee in due course.

10.0 EARLY YEARS PROJECTS

10.1 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).

11.0 SEMP 2020 & EARLY YEARS PROJECTS

11.1 A report on the potential acceleration of the remaining projects within the School Estate Management Plan and works required across the Early Years Estate beyond the projects identified in the current approved programme was submitted to the January Committee. The Committee identified a preferred option and agreed that the proposals be remitted to the budget process. Due to the issues associated with the settlement from the Scottish Government and estimated funding gap in 2017/18, the February Policy & Resources Committee agreed that the budget setting would be delayed with the meeting now scheduled for 10th March.

12.0 IMPLICATIONS

Finance

12.1 The expenditure at 31st January 2016 is £6.448m from a budget of £6.5m. This is expenditure of 99.2% of the approved budget after 82.33% of the year. No slippage is currently being reported with net accelerated spend of £1.019m. Following review of the current projects and the likely spend profiles, revised profiles are being reported on the following:

- 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 Patrick’s PS New Build – increased spend in the current year due to good progress made on site.
- St Francis PS External Works – decreased spend in the current year due to tenders returned under budget (balance returned to contingency in future years).
- Lifecycle Fund – increased spend due to good progress on areas of expenditure and advance works for 2016/17 lifecycle projects (projects taken to tender / tender acceptance stage).
- Free School Meals Capital Grant – revised projection (decrease).
- Primary School MUGAs – overall slight decreased spend in the current year due to projected budget underspend however the original significant projected underspend is being addressed through progression of the majority of the Moorfoot PS and Gourrock PS MUGA projects in the current year.

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 £34.367m, made up of £30.664m SEMP Supported Borrowing, £1.930m Non-SEMP Supported Borrowing and £1.773m Prudential Borrowing. The Current Projection is £34.367m.

12.3

| Education & Communities | Approved Budget £000 | Current Position £000 | Overspend / (Underspend) £000 |
|-------------------------|-------------------------|--------------------------|-------------------------------------|
| Total School Estate | 32,437 | 32,437 | - |
| Total Non School Estate | 1,930 | 1,930 | - |

| | | | |
|--------------|---------------|---------------|----------|
| | | | |
| Total | 34,367 | 34,367 | - |

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 February 2016. (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 31/01/16 | 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 | 105 | 105 | 0 | 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 | 2,475 | 1,956 | 4,014 | 400 | 0 | Aug-15 | - | Oct-16 |
| St John's PS - Refurbishment & Extension | 2,946 | 869 | 1,675 | 1,675 | 1,609 | 302 | 100 | 0 | Dec-14 | - | Sep-15 |
| Kilmacolm PS - Refurbishment | 4,270 | 56 | 958 | 958 | 681 | 2,956 | 300 | 0 | Oct-15 | - | Oct-16 |
| Early Years (C&YPB - 600Hrs + 2Yr Olds) | 1,431 | 124 | 314 | 314 | 288 | 200 | 793 | 0 | Apr-14 | - | Mar-17 |
| Early Years Establishments - Refurbishment | 1,331 | 0 | 0 | 0 | 0 | 264 | 1,067 | 0 | Apr-16 | - | Mar-17 |
| St Francis PS - External Works | 240 | 11 | 327 | 222 | 222 | 7 | 0 | 0 | Jun-15 | - | Aug-15 |
| Free School Meals Capital Grant | 60 | 0 | 60 | 33 | 14 | 0 | 27 | 0 | Apr-15 | - | Mar-16 |
| Lifecycle Fund | 2,698 | 378 | 210 | 450 | 395 | 142 | 1,728 | 0 | Apr-14 | - | Mar-18 |
| Balance of Contingency | 271 | 0 | 65 | 0 | 0 | 50 | 221 | 0 | | | |
| Moorfoot PS Refurbishment | 4,647 | 0 | 0 | 0 | 0 | 100 | 1,814 | 2,733 | | | |
| Complete on site | 585 | 0 | 0 | 10 | 10 | 0 | 575 | 0 | | | |
| TOTAL SEMP | 32,940 | 8,145 | 5,988 | 7,002 | 6,040 | 8,035 | 7,025 | 2,733 | | | |
| Non-SEMP Projects | | | | | | | | | | | |
| Whinhill/St Ninians PS - MUGA/Blaes Pitch Upgrades | 625 | 504 | 26 | 87 | 87 | 34 | 0 | 0 | Apr-14 | - | Aug-15 |
| Primary School MUGA's - Various | 802 | 49 | 486 | 430 | 321 | 223 | 100 | 0 | Apr-14 | - | Apr-16 |
| TOTAL non-SEMP | 1,427 | 553 | 512 | 517 | 408 | 257 | 100 | 0 | | | |
| TOTAL ALL PROJECTS | 34,367 | 8,698 | 6,500 | 7,519 | 6,448 | 8,292 | 7,125 | 2,733 | | | |

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