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**REPORT TO: CHILDREN AND YOUNG PEOPLE'S SERVICES COMMITTEE ON  
4 MARCH 2020**

**SUBJECT: EDUCATION AND SOCIAL CARE CAPITAL BUDGET  
MONITORING REPORT TO 31 DECEMBER 2019**

**BY: DEPUTE CHIEF EXECUTIVE (EDUCATION, COMMUNITIES AND  
ORGANISATIONAL DEVELOPMENT)**

**1. REASON FOR REPORT**

- 1.1 The purpose of this report is to inform Committee of projects and proposed expenditure for Capital Budgets within Education and Social Care for 2019/20.
- 1.2 This report is submitted to Committee in terms of Section III (A) (2) of the Council's Scheme of Administration relating to the consideration of Capital and Revenue Budgets and long term financial plans.

**2. RECOMMENDATION**

**2.1 It is recommended that the Committee:**

- i) scrutinises the Education and Social Care Capital Budgets to 31 December 2019; and**
- ii) agrees that any final financial settlement with Springfield will be determined at the end of the Linkwood School Project to ensure the actual costs are recovered; and**

**3. BACKGROUND**

- 3.1 It is the practice of this Committee to receive regular reports both providing an update on the current financial position of the capital programme and seeking approval to implement projects when they arrive at a suitable point of development.
- 3.2 At the meeting of the Moray Council on 27 February 2019 (item 4 of the minute refers) Council approved the Financial Plan for 2019/20.

3.3 The capital budgets covered in this report and a list of the major projects from this financial year are contained within the Education and Social Care Capital Plan at **APPENDIX I**.

#### **4. BUDGET FOR 2019/20**

4.1 The total approved Capital Budget for Education and Social Care for financial year 2019/20 is as follows:-

	<b>19/20 £000</b>
Land & Buildings	39,038
Vehicles, Plant & Equipment	392
<b>Totals</b>	<b>39,430</b>

4.2 Actual expenditure up to 31 December 2019 including carry forwards from 2018/19 is £22.372m.

#### **5. MAJOR PROJECTS**

##### Schools Essential Maintenance Programme (Make do and Mend):

5.1 The original 6 Make Do and Mend (MDAM) projects are all complete. Final accounts for these projects still need to be settled and property fees accrued (this takes place at year-end) but current projections indicate that spend will be in the region of £3,096m against an annual budget of £3.2m.

##### 5.2 Hythehill Primary

- i) The roof replacement at Hythehill Primary was recently brought forward and is expected to complete by February 2020; and
- ii) The replacement of windows at Hythehill Primary has recently been added but the programme will not complete until 2020/21.

5.3 A provisional programme of planned works for the Learning Estate has been developed for 2020/21. **APPENDIX II** sets out these works in more detail.

#### **6. NEW BUILD (SCHOOLS)**

##### Lossiemouth High Replacement Project:

6.1 The Project is slightly ahead of programme (1 week).

##### Main Teaching Block

The building is wind and water tight. First fix partitions are almost complete on all floors with taping and decoration continuing in tandem. Mechanical and Electrical installation of ducting, sprinklers and associated services is ongoing with intermediated testing ongoing. Lifts, toilet cubicles and flooring is now

complete and internal doors are currently being fitted to individual rooms and communal hallways.

#### Sports Block

This part of the building is also wind and water tight. The roof (top deck and standing seam roof) is complete with only the parapet capping left to be done. The Plant deck is complete and the plant is currently being installed. The blockwork walls are complete and the swimming pool contractor is not onsite.

#### External Works

These are slightly behind the contractual programme but not on the critical path, this has been due to weather conditions.

6.2 Staff visits from the current school continue to allow familiarity with the new building.

#### 6.3 Linkwood Primary School:

The Project is now in week 46 of a 66 week delivery programme. The school is progressing to programme with all rooms formed, partitions erected and plasterboard ready for painting. Paving has been laid to the roof terrace and the timber cladding has commenced along with decoration. The formation of the car park is now complete and the road within the site is currently being formed.

6.4 On 6 February 2020, Senior Officers met with Springfield to discuss progress with regards works required under the Elgin South S.75 agreement which has an impact on the provision of services to the school site. It was agreed that the Project was now reaching a critical stage and that review meetings would now be held weekly. There was also an acceptance (in principle) that any additional costs incurred by the Council arising from delays by Springfield to meet their obligations under Section 75 will be settled at the end of the Project. This will enable the Council to settle on actual cost rather than an estimate of costs at this stage in the Project.

#### Findrassie Primary School

6.5 Due to limited resources within Property Services, the business case for Findrassie Primary is unlikely to complete until April/May 2020.

### **7. OTHER SCHOOLS**

7.1 The Other Schools Budget includes provision for remedial works at Milnes Primary School (Early Learning and Childcare) and other legislative health and safety works (as required). There is a projected overspend with regards to Milnes Primary (£31k) due to additional onsite works. These costs however can be contained within the overall capital budget for 2019/20.

## **8. EARLY LEARNING CHILDCARE EXPANSION**

8.1 The Early Learning Childcare (ELC) Capital Programme includes 4 new build nurseries and 7 refurbishments. Projects are now complete at:

- Lady Cathcart, Buckie;
- Lhanbryde Primary;
- Burghead Primary; and
- New Elgin Primary.

### Cullen Nursery

8.2 Completion of onsite works has slipped from 31 January 2020 to 28 February 2020. Preparations are underway to move the existing nursery into the new building during the Easter holidays.

### Pilmuir Nursery

8.3 The new nursery is programmed to complete on 27 March 2020. Preparations are underway to move the existing nursery into the new building during the Easter holidays.

## **9. LEISURE AND LIBRARIES**

### Public Facilities

9.1 The £10k public facilities budget provides funding for replacement fixtures and fittings within public buildings. To date, £6k has been committed and it is projected that spend will outturn on budget.

### Community Centres

9.2 The office at Auchernack closed on 20 December 2019 with staff moving to Forres House. The improvement works to facilitate this move are now complete and the full budget of £30k has been expended.

### Swimming Pool: Equipment

9.3 The purchase of new fitness room equipment for Keith Sports and Community Centre (£38k) is the only expenditure within this budget to date. The full budget of £50k is expected to spend by 31 March 2020.

### Moray Leisure Centre: Equipment

9.4 A budget of £12k for equipment at Moray Leisure Centre was carried forward from the previous financial year. This was to fund gym refurbishment and gym equipment. Costs to date include £9k for the gym equipment and £5k for the refurbishment. No further expenditure is expected leaving the budget with a £2k overspend.

### Moray Leisure Centre: Dehumidifiers

9.5 Installation of new dehumidifiers within the ice skating rink has been completed and is now operational.

9.6 Moray Leisure Centre: Combined heat and power unit (CHP) replacement:  
The work is programmed to complete by June 2020.

9.7 Moray Leisure Centre: Condition Survey of Mechanical and Electrical Plant  
A condition survey has been commissioned to establish the condition of the major mechanical and electrical plant at the Leisure Centre. This is deemed appropriate given that the Council owns the building and there is a need to identify future maintenance commitments and potential costs.

## 10. SUMMARY OF IMPLICATIONS

(a) **Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP)).**

This report supports the Council's corporate working principles of efficiency, effectiveness and economy and the Education and Social Care Department's objective of providing effective, efficient and sustainable premises.

(b) **Policy and Legal**

Future programmes of work funded from the Capital Programme will require policy decisions to help inform how schools projects will be prioritised and in the case of refurbishments - to what standard.

(c) **Financial Implications**

The approved capital budget for 2019/20 is £39.430m. This report provides updates on all key areas of spend.

(d) **Risk Implications**

The school estate (excluding new build) continues to deteriorate. The level of investment that the Council is able to afford is insufficient to maintain all schools to B/B standard. The risk of building failures; temporary closures; and/or health and safety risks continue to be an ongoing concern for Property Services.

(e) **Staffing Implications**

There are no staffing implications associated with this report.

(f) **Property**

There are no property implications other than those detailed in the report.

(g) **Equalities/Socio Economic Impact**

There are no equalities or socio economic implications associated with this report.

(h) **Consultations**

Consultations have been undertaken with Paul Connor, Principal Accountant; the Property Resources Manager; the Design Manager; the Legal Services Manager; the PPR and Communications Officer; Equal Opportunities Officer; the Head of Economic Growth and

Development Services; Education and Social Care Senior Management Team and Tracey Sutherland, Committee Services Officer. Where comments have been received, these have been included within the report.

## **11. CONCLUSION**

**11.1 This report presents the Education and Social Care Capital Works budget to 31 December 2019. It clarifies the status of a number of capital projects and the financial implications associated with each of them where appropriate.**

Author of Report: Richard Anderson, Head of Housing and Property (currently seconded to the Modernisation and Improvement Programme)

Background Papers:

Ref: Education and Social Care Capital Budgets 2019/20