



**REPORT TO: CHILDREN AND YOUNG PEOPLE'S SERVICES COMMITTEE ON
3 APRIL 2019**

**SUBJECT: EDUCATION AND SOCIAL CARE CAPITAL BUDGETS 2018/19
TO 28 FEBRUARY 2019**

**BY: ACTING CORPORATE DIRECTOR (EDUCATION AND SOCIAL
CARE)**

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 2018/19.
- 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 Committee scrutinises and notes the contents of the report.**

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 14 February 2018 (para 10) (vi) of the minute refers) Council approved the Capital Plan for 2018/19.
- 3.3 The capital budgets covered in this report are those contained within the Education and Social Care Capital Plan at **Appendix 1**.

4. BUDGET DETAIL

- 4.1 The total approved Capital Budget for Education and Social Care for financial year 2018/19 is as follows:-

	18/19 £000
Land & Buildings	15,941
Vehicles, Plant & Equipment	514
Totals	16,455

- 4.2 **Appendix 1** lists the major projects for this financial year.
- 4.3 Actual expenditure up to 28 February 2019 is £12,358,000.
- 4.4 Major Project Updates: Individual updates on the major projects are as follows:
- 4.5 Schools Essential Maintenance Programme (Make do and Mend):
The council has a significant number of building elements in their schools which are in a condition D, life expired state. A programme of replacement of these elements to schools has been developed on the basis of the available budget. Projects for 2018/19 are complete and design work is underway to carry out Mechanical and Electrical work during the summer holidays of 2019 at the following schools; Speyside High School, Cluny Primary School, Forres Academy, New Elgin Primary School and Andersons Primary School. Design work is complete for the replacement of roofs at Keith Grammar and construction will be carried out on site during the summer of 2019.
- 4.6 Elgin High School Replacement Project:
This project is now complete and the facility maintenance contract is being managed through Educational Resources along with contracts for Elgin Academy and Keith Primary School.
- 4.7 Milne's Primary: Replacement of Huttred Accommodation and Enhancement of Pre-School Provision (now known as Early Learning and Childcare (ELC)):
The main project is complete. Further remedial works to reduce the height of the water tanks are still required. It is anticipated these will commence in the first quarter of 2019. Some further topsoil and grass seed will be applied to the embankment adjacent to the playing fields. This work will be undertaken by the Lands and Parks department and is anticipated to be completed by March.
- 4.8 Lossiemouth High Replacement Project:
The early works contract commenced at the beginning of October 2018 and progressed smoothly. Work on the main contract commenced on 7 December 2018 and the ground stabilisation and piling have been completed. The project remains on target for completion by August 2020.

4.9 Linkwood Primary School:

At the special meeting of Full Council of the 18 December 2018 the Linkwood Primary School project was approved to the value of £12,810,000.

Planning conditions have been discharged and the school site has transferred to the Council. The infrastructure for the school site has progressed as far as possible and utility connections will be made in accordance with timescales set out within our programme as the build progresses.

Contracts have been signed and construction is due to commence on 18th March 2019 with the school being completed on 19 June 2020.

4.10 Moray Leisure Centre Financial Recovery Plan

The recovery plan for Moray Leisure Centre comprises 3 elements and includes 2 critical dates. The 3 elements are: integration of Moray Leisure Centre within the Council's Fit Life Scheme in October 2018, replacement of the centres aging fitness equipment and refurbishment of the fitness suite opening March/April 2019.

Progress on the elements and dates are as follows:

- Integration with Fit Life Scheme: The first phase of the integrated scheme has proved extremely successful with primary memberships at MLC close to 2000. Full integration with Fit Life involving integrated databases and systems is complex and an options appraisal exercise is being undertaken. The outcome of this exercise will be reported to Committee.
- Replacement of fitness equipment: The contract has been awarded to Precor and delivery of the equipment is being aligned with completion of the fitness suite refurbishment.
- Refurbishment of the Fitness Suite: A detailed layout to remove and re-provision changing accommodation to allow the creation of a single fitness area has begun on site. The procurement process to replace the fitness equipment has run alongside the procurement of the construction works and the appointment of the equipment supplier has resulted in alterations to the planned electrical work. This along with additional work discovered during the strip out of the floors and ceilings has taken the project to the budget limit. There is a risk that following final settlement of the contractor's final account the budget could be exceeded. The estimated risk is up to £5,000.

4.11 Childcare expansion

Work to refurbish the Lady Cathcart building in Buckie to form nursery facilities was completed in August 2018 to allow the facility to open with a new intake of pupils. Following the announcement of the funding award by the Scottish Government further upgrading work to the building will be undertaken over the next 4 months.

Works on site to build the new Cullen nursery have begun with a planned completion date in December 2019.

Work is planned to begin in April 2019 on the new Pilmuir nursery with a phased completion from December 2019.

Detailed proposals are being drawn up for the refurbishment of the nursery at Lhanbryde Primary School with work planned during the summer holidays 2019. Design work has begun on refurbishment of existing nurseries at Burghead and New Elgin Primary schools with construction work planned in the summer holidays of 2019.

5. 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

There are no policy implications arising directly from this report.

(c) Financial Implications

The approved capital budget for 2018/19 is £16,455,000 of which £12,358,000 has been expended as at 28 February 2019. Indications are that the total annual expenditure will be £16,219,000.

(d) Risk Implications

The major highlighted risks are:

The Scottish Government timescale for the implementation of the Early Years expansion programme has required that the largest value projects are committed early in the programme before all the works across all the nurseries are scoped out. This carries the risk that a substantial part of the budget is committed in the first year of the programme and gives less flexibility to adjust the budget for the refurbishment projects planned in 2019/20. Currently £700,000 of the Early Years budget is allocated to support the provision of the nursery within the new Linkwood School and £600,000 is allocated to support the replacement of hatted nursery classrooms at Pilmuir Primary School.

(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; Morag Smith, Senior Solicitor Litigation, the PPR and Communications Officer, the Corporate Parenting and Commissioning Manager; Equal Opportunities Officer; the Head of 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.

6. CONCLUSION

6.1 That Committee notes the programme of Capital Works proposed for Education and Social Care for 2018/19 and the associated budgetary positions.

Author of Report: Nick Goodchild, Educational Resources Manager

Background Papers:

Ref: Education and Social Care Capital Budgets 2018/19