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**REPORT TO: CHILDREN AND YOUNG PEOPLE'S SERVICES COMMITTEE ON  
21 NOVEMBER 2018**

**SUBJECT: EDUCATION AND SOCIAL CARE CAPITAL BUDGETS 2018/19  
TO 30 SEPTEMBER 2018**

**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:-

	<b>18/19 £000</b>
Land & Buildings	22,191
Vehicles, Plant & Equipment	550
<b>Totals</b>	<b>22,741</b>

- 4.2 **Appendix 1** lists the major projects for this financial year.
- 4.3 Actual expenditure up to 30 September 2018 is £3,586,000.
- 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. New boiler replacements at New Elgin Primary School and Cluny Primary School were completed in October 2018. The completion of the Mechanical and Electrical works will be phased over of a number of years during holiday periods. Roof replacement work at New Elgin Primary School began during the school holidays and is due to complete in December 2018. Stonework repairs to Andersons Primary School has been tendered and a start on site is expected in November 2018. Investigations into known drainage problems to 6 schools are to be carried out this year in order to incorporate these elements of work into future programmes.
- 4.6 Elgin High School Replacement Project:  
The main school and sports blocks were handed over on 13 October 2017 and are fully operational. The 3G pitch, car parking and landscaping were completed and handed over on 13 July 2018 and is fully operational. It was agreed to defer some of the landscape planting, due to the prolonged period of dry weather and water conservation advice, until October 2018 to give the plants the best chance of survival. The reinstatement works have been completed. The School was officially opened by the Deputy First Minister of Scotland and Cabinet Secretary for Education and Skills, John Swinney MSP on 22 October 2018.
- 4.7 Milne's Primary: Replacement of Hutted Accommodation and Enhancement of Pre-School Provision (now known as Early Learning and Childcare (ELC)):  
The project is in the final phase with just some tree planting to be undertaken to finish of the landscaping works. It will be necessary to undertake further works to reduce the height of the water tanks and these works will be programmed in.

#### 4.8 Lossiemouth High Replacement Project:

The final design has been agreed and the planning application approved on 24 April 2018. Due to the ground conditions and the solution required to remedy this, a guaranteed maximum price has been reached of £42.3m. Additional funding was approved by Scottish Futures Trust bringing their total contribution to £26.39m. The special meeting of Full Council on 13 March 2018 (refer to paragraph 3 of the minutes) approved funding of £15.9m. The main school building and community facilities are currently programmed to be completed by August 2020. The early works package was signed on 27 September 2018 which authorises the first 8 weeks of the build to commence. It is anticipated that the main contract will be ready to sign on 7 December 2018 at which point the early works contract will be subsumed into the main works contract.

#### 4.9 Linkwood Primary School:

As has been previously reported to Committee, a significant risk for this project is that delivery of the school is reliant upon progress of the wider Elgin South Development. The Section 75 (planning agreement) has been signed and has now been registered. Planning consent was granted for Linkwood Primary school but conditions yet to be discharged.

Discussions took place with Springfield Properties around the construction detail for the temporary access road, this has been updated and the road has been constructed.

A meeting is being held on 2 November 2018 with hubnorth and the main contractor in order to clarify the cost for construction of the school. It is likely that due to the 9 month delay the cost will be affected by construction inflation which may increase the figure above the estimated cost of £12,3m. The programme will be 75 weeks including mobilisation and we anticipate commencing on 14 January 2019 and works completing 19 June 2020.

Officers are developing contingency plans should a delay push the completion date beyond the start of the 2020 academic year. Should modular accommodation be required this will increase costs significantly.

#### 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 councils 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 launch of the first phase of the integrated scheme commenced from 9 October with integrated use of facilities being available from 22 October. On the first day of the launch over 150 primary memberships were sold at Moray leisure Centre. At the time of writing this report has risen to almost 1000

primary memberships. Full integration with Fit Life involving integrated databases and systems will come at a later date.

- Replacement of fitness equipment: A specification has been prepared for the equipment, layout and associated training. The successful tenderer has been appointed and is Precor.
- Refurbishment of the Fitness Suite: A proposed layout to remove and re-provision changing accommodation to allow the creation of a single fitness area has been developed and estimated costs produced. A procurement programme to complete the works has been developed for the end of March 2019. This programme is extremely tight and carries the risk of not being met if there are any unexpected issues that cause a delay.

#### 4.11 Childcare expansion

Work to refurbish the Lady Cathcart building in Buckie to form nursery facilities 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 12 months.

Layout proposals have been developed and Planning Applications made for new nurseries at Cullen and Pilmuir Primary Schools with a programmed start on site in January 2019. A procurement process to appoint a contractor to carry out the programme of refurbishment and new build work has been successful.

### 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 £22,741,000 of which £3,586,000 has been expended as at 30 September 2018. Early indications are that the total annual expenditure will be £19,653,000.

**(d) Risk Implications**

The major highlighted risks are:

Delay of the Linkwood School project as a consequence of a failure to agree a final project cost or a delay on progress with the wider Elgin South development. These risks are being mitigated as far as practical.

The programme for the completion of the works at Moray Leisure Centre has been based on the desire of the Centre to reopen its fitness suite in March 2019. While this is possible the programme does not include the normal contingency for a building project of this nature. This risk will be monitored and any change in the completion date will be reported to this Committee.

**(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; Margaret Forrest, Legal Services Manager; 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