

NORTH LANARKSHIRE COUNCIL

REPORT

To: Education Resources Sub-Committee	Subject:
From: Director of Education Director of Housing & Property Services	Education Major Building Programmes 2001/2002 : Performance Review : Significant Cost Increases
Date: 30 th November 2001	
Ref: MM/IR/LA	

Summary

This report advises the committee on the progress of major building works and of significant cost increases of some projects.

Recommendations

- (a) to note the financial performance to date of the 2001/2002 capital budget,
- (b) to note the physical progress to date, by exception, of the 2001/2002 major building programmes,
- (c) to note the increased cost of some building projects,
- (d) to request the submission of further performance review reports to future meetings of the sub-committee.

Members wishing further information about the paper should contact:

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Michael O'Neill

NORTH LANARKSHIRE COUNCIL : DEPARTMENT OF EDUCATION

Education Major Building Programmes 2001/2002 Performance Review : Significant Cost Increases

Report by the Director of Education and the Director of Housing & Property Services

1 INTRODUCTION

1.1 This report advises the committee on financial performance and on the progress of major building works and of the significant increases in cost of some projects.

2 CAPITAL PROJECTS – FINANCIAL PERFORMANCE

2.1 Noted below is a summary of the financial performance to date of the capital budget for 2001/2002.

Project	1 Revised Programme Allowance	2 Committed To Date	3 Expenditure To Date	4 Projected Outturn Expenditure	5 Anticipated Variance (1-4)
Major Maintenance	£4.055 m	£3.800 m	£2.150 m	£4.055 m	£ -
Health & Safety	£0.500 m	£0.500 m	£0.490 m	£0.500 m	£ -
ICT Support	£1.000 m	£0.800 m	£0.460 m	£1.000 m	£ -
Total	£5.555 m	£5.100 m	£3.100 m	£5.555 m	£ -

2.2 The programme will continue to be monitored closely throughout the year and any anticipated variances reported to the committee.

3 CAPITAL PROJECTS PROGRESS

3.1 Attached at Appendix 1 is a report by exception on projects continuing from 2000/2001 whose progress is not in line with the approved programme.

3.2 Attached at Appendix 2 is a report by exception on projects new for 2001/2002.

4 EXCELLENCE FUND ETC PROGRAMMES

Reduction in Class Sizes

4.1 The extension to Cathedral Primary School is expected to be completed by February 2002, in line with the approved programme.

4.2 Resources for these works are available from the Scottish Executive excellence fund for schools.

5 PRE SCHOOL PROJECTS

5.1 Attached at Appendix 3 is a report by exception on projects carried over from 2000/2001 and on new projects for 2001/2002.

5.2 Resources for these works are available from the Scottish Executive allocations for early education.

6 FIRE DAMAGE REINSTATEMENT

6.1 Attached at Appendix 4 is a report by exception on major fire damage reinstatement.

6.2 Funding for this project is obtained from fire insurance recoveries from the council's insurers and from the education capital budget.

7 CUMBERNAULD SPECIAL PROGRAMME

7.1 The two new schools are to be completed by December 2002, in line with the agreed programme.

7.2 Funding for the works is available from the education Cumbernauld capital receipts budget.

8 MINOR CAPITAL PROGRAMME

8.1 Attached at Appendix 5 is a report by exception on the progress of the minor capital programme projects.

8.2 Funding for these works is available from the Department of Housing and Property Services minor capital budget.

9 CONTRACT VARIATIONS

9.1 Under the contract standing orders, approval is required to continue with those contracts where there are significant increases in the current cost of the project compared with the approved tender cost. This report deals only with increased costs. It is expected that the final reports made on all projects will provide compensatory cost reductions in other projects not included in this present report.

9.2 The increased costs will require to be contained within the overall funding for the capital or other programmes, already available to the department.

9.3 A detailed report on contracts with significant cost increases is attached at Appendix 6.

9.4 Reports on the finally agreed value of all projects will be made to a future meeting of the committee, detailing any overspends or underspends.

10 RECOMMENDATIONS

10.1 The education resources sub-committee is recommended;

- (a) to note the financial performance to date of the 2001/2002 capital budget,
- (b) to note the physical progress to date, by exception, of the 2001/2002 major building programmes,
- (c) to note the increased cost of some building projects,
- (d) to request the submission of further performance review reports to future meetings of the sub-committee.

Education

APPENDIX 1

Education (Capital) - Committed Projects – carried forward from previous years

Project Title	Tender Amount	Programmed Start	Programmed Completion	Contract Start	Contract Completion	% Progress	Comments
Airdrie – St Margaret's High School – Replacement Windows Phase 1	£125,862	Apr 01	Jul 01	Jun 01	Nov 01	95	Contractor 95% complete. Minor works still to be completed.
Chryston – Chryston High/Primary School - Heating Replacement	£166,359	Apr 01	Aug 01	May 01	Apr 02	60	Work to High School complete. Primary school boilerhouse 20% complete. Changeover due Easter 2002
Coatbridge – Kirkshaws Primary School - Rewire	£91,921	Oct 01	Jan 01	Nov 01	Dec 01	90	Original contractor in liquidation. Completion contract commenced and due for completion in December 2001.

Education

APPENDIX 2

Education (Capital) – New Projects – 2001/2002

Project Title	Tender Amount	Programmed Start	Programmed Completion	Contract Start	Contract Completion	% Progress	Comments
Airdrie - Chapelside Primary School - Boiler Replacement	£71,363	Jul 01	Aug 01	Jul 01	Dec 01	95	Contract 95% complete. Replacement of glazed/louvred Screen to be carried out.
Motherwell - Knowetop Primary School - Electrical Rewire	£102,932	Jul 01	Sep 01	Jul 01	Dec 01	80	Delayed Start
New Stevenston - New Stevenston P.S. - Re-roofing	£117,403	Aug 01	Oct 01	Sep 01	July 02	25	Contract 25% complete. Main hall to be carried out Summer 2002.
Shotts - Kirk O' Shotts Primary School Rewire	£79,166	Jul 01	Sep 01	Nov 01	Mar 02	5	Contractor in liquidation. New contractor appointed.
Shotts - Calderhead H.S. - Roughcast/Brickwork Repairs	£66,669	Jul 01	Sep 01	Jul 01	Dec 01	95	Original contract complete. Additional being carried out
Chryston H.S. – Replacement Windows	£0	Dec 01	Apr 02				Tenders due for return 5 December 2001
Bellshill Academy – Partial Re-Roofing	£0	Dec 01	Apr 02	Dec 01	Apr 02		Site start due 9 December 2001
Bellshill Academy – Boiler Replacement	£0	Jan 02	Apr 02				Tender returned 23 November 2001
Our Lady;s H.S., Motherwell Window Replacement Ph 1	£0	Dec 01	Apr 02	Jan 02	May 02		Start on site 7 January 2002

Education

APPENDIX 3

Education - Pre Five Projects – carried forward from previous years

Project Title	Tender Amount	Programmed Start	Programmed Completion	Contract Start	Contract Completion	% Progress	Comments
Motherwell - Ailsa Nursery, Pre 3 Accommodation.	£123,409	Feb 01	May 01	Mar 01	Dec 01	90	Completion date revised

Education

APPENDIX 4

Education (Insurance)

Project Title	Tender Amount	Programmed Start	Programmed Completion	Contract Start	Contract Completion	% Progress	Comments
Shotts - Stane Primary School - Fire Damage	£1,209,086	May 01	May 02	Jul 01	Jul 02	30	Ground conditions worse than envisaged. Additional remedial work required to existing building

APPENDIX 5

Education

Housing & Property - (Education New Projects 2001/02)

Project Title	Tender Amount	Programmed Start	Programmed Completion	Contract Start	Contract Completion	% Progress	Comments
Airdrie - Glengowan Primary School - Rewiring	£97,649	Sep 01	Dec 01	Oct 01	Jan 02	45	Contract 45% complete. Asbestos discovered in kitchen area
Airdrie - St. Mary's Primary School, Caldercruix - Boiler Replacement	£67,299	Sep 01	Nov 01	Oct 01	Jan 02	40	Contract 40% complete. Additional asbestos discovered.

Appendix 6

SIGNIFICANT COST INCREASES

1 Airdrie Academy : Temporary Classroom Accommodation

1.1 This work was required to enable a major asbestos removal contract to be carried out at the main teaching block. The work was completed satisfactorily and the main building subsequently re-occupied.

1.2	Amount of Accepted Tender	£231,538
	Estimated final cost	£289,538
	Estimated increase	<u>£ 58,000</u>

1.3 The increased cost was due to;

1.3.1 Additional security to the temporary classrooms : intruder alarms, fencing and emergency lighting.

1.3.2 Additional cost of drainage.

1.3.3 Vandalism repairs.

1.4 The project is funded from the educational capital budget.

2 St Ambrose High School, Coatbridge : Heating Upgrade

2.1 The work comprised the installation of additional gas fired boilers together with provision of accommodation for the boilers within the existing school building.

2.2	Amount of accepted tender	£ 98,412
	Estimated final cost	£133,412
	Estimated increase	<u>£ 35,000</u>

2.3 The increased cost is due to a requirement to provide alternative accommodation to compensate for areas lost to the school as a result of adaptations to locate the new boilers being greater than had been foreseen at the time of tender.

2.4 The project is funded from the education capital budget.

3 Stane Primary School : Fire Damage Replacement

3.1 The work comprised the partial replacement of Stane Primary School following a serious fire and adaptations to the teaching accommodation remaining after the fire.

3.2	Amount of accepted tender	£1,209,085
	Estimated final cost	£1,564,085
	Estimated increase	<u>£ 355,000</u>

3.3 The increased cost is due to;

3.3.1 Deeper foundations being required than those envisaged in the specialist soil investigation report.

3.3.2 Additional external footpaths required to meet planning requirements and to enhance pupil safety.

3.3.3 Replacement of existing drainage system.

Sub Total £ 205,000

3.3.4 Bringing forward into the fire damage project maintenance work required to those elements of the accommodation which remained on site following the fire. The work comprises rot and damp eradication and structural repairs to internal and external walls.

Sub Total £ 150,000

3.4 The project is funded from fire insurance recoveries and from the capital maintenance budget.

4 Airdrie Academy : Asbestos removal

4.1 The work comprised the removal of asbestos from attics and underfloor ducts in the main teaching block.

4.2 Amount of accepted tender £ 128,340

 Estimated final cost £ 170,340

 Estimated increase £ 42,000

4.3 The increased cost is due to additional areas of asbestos unforeseen at the time of tender being included in the removal works.

4.4 The project is funded from the educational capital budget.

5 Stepps Nursery Centre

5.1 The works comprised the construction of a new nursery centre at Glasgow Road, Stepps.

5.2 Amount of accepted tender £ 319,000

 Estimated final cost £ 494,000

 Estimated increase £ 175,000

5.3 The increased cost is due to;

5.3.1 Delay in identifying a suitable site; the original site was considered to be too near St Joseph's Primary School; the second site failed a soil investigation survey.

5.3.2 Enhanced design due to more stringent planning requirements.

5.3.3 Piling, removal of peat and ground strengthening, not included in the original tender for the site adjacent to St Joseph's Primary school but subsequently found necessary for the Glasgow Road site.

5.4 The project is funded from the Scottish Executive direct grant for expansion of pre-5.

6 Cardinal Newman High School : Reinstatement of high level walkways

6.1 The works comprised the rebuilding of high level walkways (footpaths with accommodation located underneath) necessary due to severe water penetration.

6.2	Amount of accepted tender	£ 133,368
	Estimated final cost	£ 162,368
	Estimated increase	<u>£ 29,000</u>

6.3 The increased cost is due to;

6.3.1 Strengthening of metal balustrades

6.3.2 Replacing rotting brickwork and steel joists

6.3.3 Revisions to existing circulation footpaths

6.4 The project is funded from the education capital maintenance budget.

7 Various Primary Schools : ICT Networking Installation

7.1 The works comprised the installation of ICT data cabling networks to primary and special schools.

7.2	Amount of accepted tender	£ 912,809
	Estimated final cost	£1,087,809
	Estimated increase	<u>£ 175,000</u>

7.3 The increased cost is due to;

7.3.1 Extending the network to nursery centres, technicians' centre, psychological services, etc.

7.3.2 Air conditioning installations required at some equipment.

7.3.3 Additional equipment and cable management systems to enhance functionality and to facilitate maintenance.

7.4 The project is funded from the education capital maintenance budget.