

Performance and Resources Committee Meeting

Date of Meeting	Monday 9 October 2017
Paper Title	Capital Funding 2016-17 – Final Report
Agenda Item	7 (a)
Paper Number	PRC1-C
Responsible Officer	Jim Godfrey, Interim Finance and Resources Director
Status	Disclosable
Action	For Noting

1. Report Purpose

- 1.1. Consider the progress reports for the additional capital maintenance funded projects at Glasgow Kelvin College and Glasgow Clyde College.

2. Recommendations

- 2.1. The Board is invited to **note** the final report for the additional capital maintenance projects 2016-17.

3. Background

- 3.1. On 30 September 2016 the Scottish Funding Council announced additional capital funding for colleges to support the upgrade, and maintenance, of college estates and to provide an economic stimulus to Scotland's economy. Following submission of capital maintenance proposals by the three Glasgow colleges, the Performance and Resources Committee made recommendations on the allocation of this funding which were agreed by the full Board of the GCRB at its meeting on the 31 October 2016.

4. Summary Updates on Project Delivery

- 4.1. The following tables provide details of the additional capital projects funded by GCRB:

Glasgow Clyde College

Project Description	Initial Estimate of Project Costs	Final Project Costs
Cardonald Tower Block, Toilet Facilities, Business Centre	£750,000	£1,018,883
Cardonald Campus Roof Replacement - Phase 2	£200,000	£215,824
Langside Mary Stuart Building - Toilet Facilities	£130,000	£126,885
Project Management & Other Professional Fees	£64,142	£14,160
Total:	£1,144,142	£1,375,752

- 4.2. In order to ensure best value, the Cardonald Toilets and Business Centre Refurbishment works were consolidated into a single project. Tender submissions were higher than the initial estimate but the College has covered the additional cost from other sources. A copy of the final project manager’s report is attached as an annex to this report.

Glasgow Kelvin College

Project Description	Initial Estimate of Project costs	Final Project costs
West End Campus Roof/Window Repair/Replacement	£360,000	£644,000
Springburn Wall Ties/Blockwork	£120,000	£132,000
Easterhouse Roof Repair	£350,000	£211,000
Easterhouse Access Ramp/ Drainage	£70,000	£108,000
Easterhouse Subsidence Investigation	£80,000	£12,000
Project Management	£58,203	£58,203
Total:	£1,038,203	£1,165,203

- 4.3. The Committee will recall that capital bids were developed at short notice in response to the allocation of additional grant. The initial cost estimates were made prior to finalising the project design, the appointment of the project managers and the procurement process. As a result, there are some variances between the initial estimate and final costs. At the meeting of this Committee on 2 May 2017 it was agreed that cost savings from one project can be used to offset additional costs of another project within the same college.
- 4.4. The projects represent a large element of the first phase implementation of the Capital Investment Plan of Glasgow Kelvin College. As reported previously, the listed building status of West Campus resulted in some delay and increased cost on that project along with other issues with the property being identified during the project. Underspends on other projects were reallocated to the West Campus project and the College increased its financial commitment to this project which has a total estimated cost of £644k inclusive of VAT. All of the above projects were project managed by Hardies who have provided regular monitoring reports.

5. Risk Analysis

- 5.1. The projects are complete and there are no risks regarding these capital funds.

6. Legal Implications

- 6.1. No legal implications are identified.

7. Resource Implications

- 7.1. The financial implications are outlined above.

8. Strategic Plan Implications

- 8.1. The provision of high quality learning environments is integral to the delivery of commitments made in the 2016/17 Glasgow Regional Outcome Agreement.



Glasgow Clyde College
Glasgow Colleges Regional Board
Additional Capital Funding
Project Manager's Monitoring Report

September 2017

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Issue and revision record

Revision	Date	Originator	Checker	Approver	Description
Original	06/09/17	JH	FD	JH	Report Nr 5

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Executive Summary

The status of the projects is as follows:

Cardonald Campus Re-Roofing

The project is complete and handed back to the College on 12th May 2017.

Cardonald Campus Toilet Refurbishment

The project is complete and handed back to the College on 28th April 2017.

Cardonald Campus Business Centre Refurbishment

The project is complete and handed back to the College on 28th April 2017.

Langside Campus Toilet Refurbishment

The project is complete and handed back to the college on 24 February 2017.

Spend Profile

Construction costs, fees and VAT

Projects totals	- £1,375,752.00
Project spend to date	- £1,317,820.00



John Hetherington
For Mott MacDonald

Project - Cardonald Campus Re-Roofing

1.0 Design

The design and details of the project are complete.

2.0 Procurement

Tendering exercise is complete and the project has been awarded to Hugh LS McConnell Ltd.

3.0 Approvals

All approvals are in place.

4.0 Programme

Project handed back to the College on 12th May 2017.

5.0 Finance

The project budget is as follows;

Construction tender	- £152,859.00
Stage 1 professional fees	- £18,710.00
Stage 2 professional fees	- £8,285.00
VAT	- £35,970.00
Total	- £215,824.00

The above costs include a Client contingency within the construction tender of £10,000.00 plus VAT. This contingency has been released through Contract Administrator's instructions.

There have been three interim valuation certificates issued amounting to a gross payment of £139,000.00. Total spend to date including fees and VAT is £199,194.00.

The final account for the construction works is still being negotiated. The Project Manager's estimate of the final account is £163,000.00.

6.0 Works Progress

Works complete. Product warranty is outstanding being pursued by the Project Manager.

7.0 Risks

Closed out.

Project - Cardonald Campus Toilet Refurbishment

1.0 Design

The design and details of the project are complete.

2.0 Procurement

Tendering exercise is complete and the project has been awarded to Elmwood Projects Ltd.

3.0 Approvals

All approvals are in place.

4.0 Programme

Project handed back to the College on 28th April 2017.

5.0 Finance

The project budget for this project and the Business Centre works is as follows;

Construction tender	- £779,542.00
Client contingency	- £10,000.00
Professional fees	- £59,527.00
VAT	- £69,814.00
Total	- £1,018,883.00

The above costs include a Client contingency of £10,000.00 plus VAT. This contingency has been partially released through Contract Administrator’s instructions.

There have been five interim valuation certificates issued amounting to a gross payment of £761,275.04. Total spend to date including fees and VAT is £984,496.24.

The final account for the construction works is still being negotiated. The Project Manager's estimate of the final account is £775,000.00.

6.0 Works Progress

Correction of identified snagging and close out information has been an issue, however is being pursued by the Project Manager.

7.0 Risks

Closed out.

Project - Cardonald Campus Business Centre Works

Project aligned with Cardonald Toilet Refurbishment Works.

Project - Langside Campus Toilet Refurbishment

1.0 Completion

The project is confirmed as being completed and handed back to the College on 24 February 2017.

2.0 Quality

The project has been delivered to the expected contractual quality.

3.0 Finance

The project budget is as follows;

Construction tender	- £99,738.00
Professional fees	- £6,000.00
VAT	- £21,147.00
Total	- £126,885.00

The above costs include a Client contingency within the construction tender of £8,000.00 plus VAT. This contingency has been partially released through Contract Administrator's instructions.

There has been one interim valuation certificate issued amounting to a gross payment of £96,605.62. Total costs to date including fees and VAT is £119,970.00.

Project Spend Profile

Construction costs, fees and VAT

Project	Budget	Invoiced
Cardonald Campus Re-Roofing	£215,824.00	£199,194.00
Cardonald Campus Toilets and BC	£1,018,883.00	£984,496.00
Langside Campus Toilets	£126,885.00	£119,970.00
PM Monitoring	£14,160.00	£14,160.00
Total	£1,375,752.00	£1,317,820.00