

## Performance and Resources Committee Meeting

Date of Meeting	Monday 16 March 2020
Paper Title	Capital Funding – 2019-20
Agenda Item	9.b
Paper Number	PRC3-F
Responsible Officer	Jim Godfrey, Finance and Resources Director
Recommended Status	Disclosable
Action	For Information

### 1. Report Purpose

- 1.1. Consider the progress reports for the capital projects in 2019-20.

### 2. Recommendations

- 2.1. The Committee is invited to **note** the progress made by the colleges in respect of the capital projects in 2019-20.

### 3. Background

- 3.1. The capital funds for 2019-20 were allocated by SFC to GCRB and GCRB to the three colleges as follows:

	City of Glasgow College	Glasgow Clyde College	Glasgow Kelvin College	Total
<b>Lifecycle Maintenance</b>	£893,766	£629,779	£393,455	<b>£1,917,000</b>
<b>Very High Priority Maintenance</b>	£0	£1,023,000	£600,000	<b>£1,623,000</b>
<b>Total</b>	<b>£893,766</b>	<b>£1,652,779</b>	<b>£993,455</b>	<b>£3,540,000</b>

### 4. City of Glasgow College Update

- 4.1. City of Glasgow College received £893,766 towards the cost of lifecycle maintenance. This is being used to meet the cost of the NPD unitary charge and to meet maintenance costs not included in the NPD contract.

### 5. Glasgow Kelvin College Update

- 5.1. Glasgow Kelvin College is implementing its Capital Plan and delivering a range of projects that are very high priority. These projects are progressing well and making a real difference to the campus buildings. An update, as at 14 February 2020, is provided below:

<b>Glasgow Kelvin College</b>					
<b>Project</b>	<b>Description</b>	<b>Status</b>	<b>Initial Budget</b>	<b>Revised Forecast</b>	<b>Spend to 14 February 2020</b>
			<b>(£'000)</b>	<b>(£'000)</b>	<b>(£'000)</b>
<b>Multi-Campus</b>					
Building Management System		Completed	40	55	55
Replacement carpets/flooring/redecoration/building maintenance/repair		Orders placed and awaiting delivery	140	314	123
Health & Safety items		Completed	30	30	30
Replacement faculty equipment		Funded from faculty budgets	30	0	0
<b>Springburn</b>					
M&E Replacement		Programme underway	260	117	70
Ground floor toilets	Complete refurbish including cubicles and re-tiling	Completed	18	25	25
<b>Easterhouse</b>					
Student common room/Modern Learning Environment upgrade		Completed	20	11	11
<b>West Campus</b>					
Repair front entranceway door		Completed	17	3	3
<b>Other</b>					
Project Management		On-going	45	45	45
<b>Total</b>			<b>600</b>	<b>600</b>	<b>362</b>

**5.2.** Glasgow Kelvin College also received £393,455 towards the cost of lifecycle maintenance. The lifecycle maintenance grant is critical to ensuring that the College is able to carry out day to day planned and reactive maintenance in respect of all of its campus buildings. The funding contributes significantly to the totality of non-staff related Estates costs at the College. Of this total budget, £375,000 is allocated to replacement equipment and furniture, plant maintenance, general redecoration and reactive repairs/replacements.

## 6. Glasgow Clyde College Update

6.1. Glasgow Clyde College is implementing its Capital Plan and progressing a range of projects that are very high priority following the allocation from GCRB of these funds as follows:

<b>Glasgow Clyde College</b>					
<b>Project</b>	<b>Description</b>	<b>Status</b>	<b>Initial Budget (£'000)</b>	<b>Revised Forecast (£'000)</b>	<b>Spend to 31 January 2020 (£'000)</b>
Lifts	Replace disabled access lifts in the Tower Building and Business Centre	All three project are being completed on site.	210	133	15
Chiller Plant	Chiller plant and AHU across Cardonald Campus Tower Building		880	447	21
Roof in Student Area	Replace remaining flat roof		40	138	3
Proposed reallocation to next two high priority items 1. Boiler/Plan Replacement at Mary Stuart/ Litehouse building 2. Lighting replacement at Cardonald	Very old plant reaching end of useful life  Replace with more efficient and effective lighting	Agreed in November/December that the College would retain and reallocate these funds to the next highest priority project. Contractor now appointed and works being completed.	N/A	305	0
<b>Total</b>			<b>1,130</b>	<b>1,023</b>	<b>39</b>

6.2. The first three projects in the table above were the original planned high priority projects as reported to the Committee. These are the Replacement of the Disabled Lifts, Chiller Plant and Flat Roof replacement and all of these projects are at the Cardonald Campus. The Chiller replacement, which is the largest of these three projects, was delayed due to weather issues, however it is due for completion by the end of March. The flat roof project has also been impacted by poor weather which has delayed its completion date but will be completed by the end of March. For the disabled access lifts replacement three lifts are being replaced. Two of these will be installed by the end March however an alternative supplier had to used for the third lift which means that it will not be completed until April.

- 6.3.** The high priority maintenance allocation for Glasgow Clyde College (£1,023,000) was originally allocated to the first three of the projects in the above table. The estimated cost of the first two projects was based upon the earlier condition survey completed in 2014 and the third was a more recent estimate. When the tendered costs for these three projects were returned they had a significantly lower total cost at £718k.
- 6.4.** Glasgow Clyde College therefore requested that it retain the balance of the allocation and use this towards the next two highest priority estates maintenance projects which was agreed. The next two high priority estates projects are the Replacement of the Boiler Plant that serves the older two buildings at the Langside campus and lighting replacements for some areas at the Cardonald campus to provide more efficient and effective lighting equipment. Also these projects have a relatively short lead in time to aim to achieve the expenditure within the desired timescale of the end of March. The £288k remaining allocation is being used for these projects. The contractor for these works was appointed in February and the end of March completion was stated in the tender document. It is however likely that they will not be completed by end March and some of the expenditure will therefore be in April.
- 6.5.** Glasgow Clyde College also received £629,799 in 19/20 towards the cost of lifecycle maintenance. The lifecycle maintenance grant is critical to ensuring that the College is able to carry out day to day planned and reactive maintenance in respect of all of its campus buildings. The funding contributes significantly to the totality of non-staff related Estates costs at the College. Of this total budget, over £450,000 has been allocated to planned and reactive maintenance and the balance is being used for other essential non-staff premises costs.

## **7. Risk Analysis**

- 7.1.** The capital plans for Glasgow Clyde College and Glasgow Kelvin College represent a significant capital investment in 2019-20. The principal risk is that the sum of money is high and the time available for projects to be delivered is limited. This is a challenging environment for colleges to operate in and is compounded by the need to ensure that buildings remain operational during the times that work is taking place.

## **8. Equalities Implications**

- 8.1.** There are no equalities implications as a direct result of this report. However, the capital grant provided does enable colleges to make improvements, and enhancements, to the facilities for all users.

## **9. Legal Implications**

- 9.1.** No legal implications are identified.

## **10. Resource Implications**

- 10.1.** The financial implications are outlined above.

## **11. Strategic Plan Implications**

- 11.1.** The provision of high quality learning environments is integral to the delivery of commitments made in the Regional Outcome Agreement 2019-20 and the Regional Strategic Plan 2017-22.