

Performance and Resources Committee Meeting

Date of Meeting	Wednesday 7 March 2018
Paper Title	Capital Funding 2017-18 – Progress Report
Agenda Item	10 (c)
Paper Number	PRC4-H
Responsible Officer	Jim Godfrey, Finance and Resources Director
Recommended Status	Disclosable
Action	For Decision

1. Report Purpose

- 1.1. Consider the progress reports for the capital projects in 2017-18.

2. Recommendations

- 2.1. The Committee is invited to:

- **Note** the progress made by the colleges in respect of the capital projects in 2017-18.
- **Note** that the Executive Director has exercised his delegated authority to approve that Glasgow Kelvin College may re-invest the saving on the Easterhouse Subsidence Project (£30k) and Fire Security Project (£4k) on Additional Campus Developments at Springburn and Easterhouse.
- **Note** that the Chair of the Performance and Resources Committee has approved that Glasgow Clyde College, may utilise the additional grant for Lifecycle Maintenance (£94k)¹ for the purpose of procuring additional interactive smartboards.
- **Approve** that Glasgow Clyde College may re-invest the saving on the procurement of a new Local Area Network at Anniesland Campus (£95k) for the purpose of procuring additional interactive smartboards.

3. Background

- 3.1. The initial allocation of capital funds to each of the 3 colleges was agreed by this Committee at its meeting on 16 June 2017. Decisions were communicated to each of the colleges on 20 June 2017 and since then the colleges have been progressing these projects.
- 3.2. In accordance with the Capital Funding Policy, the unspent contingency was allocated to the colleges on 9 February 2018.

¹ Allocated by the Performance and Resources Committee at its meeting on 9 February 2018

3.3. The total amounts allocated for 2017-18 are as follows:

	City of Glasgow College	Glasgow Clyde College	Glasgow Kelvin College	Total
Lifecycle Maintenance	£1,189,842	£842,128	£539,184	£2,571,154
LAN Infrastructure		£985,000		£985,000
STEM Innovation	£427,200			£427,200
Interactive Smartboards		£300,000		£300,000
Building Improvements			£284,000	£284,000

4. City of Glasgow College Update

4.1. City of Glasgow College is currently progressing its Stem Project as outlined below:

Project	Description	Status	Initial Budget (£'000)	Revised Forecast (£'000)
Stem Innovation	Investments in IT/Smart Labs, Instrumentation & Control Rigs and High Specification PCs and Monitors	<p>A suitable location has been identified (the gateway area, 4th floor of Riverside Campus). The location will become the centre for STEM & Innovation and house the procured equipment and in time deliver the curriculum. Our Estates Team and FES are working on the required adjustments needed to ensure that this area is suitably transformed to meet the technical requirements and to stand out as a distinct centre. We now have approval to re-purpose this space and we are progressing with the additional infrastructure required to install purchased equipment.</p> <p>Robotic Kits: The tender process is complete and was awarded to Studica. The total cost was £79.1k.</p> <p>Level Flow Rig: The tender process is complete and was awarded to Festo Ltd. The total cost was £21k.</p> <p>Miniature Factory: The tender process for the large pneumatic (miniature factory) rig has been put to tender and will be evaluated in February 2018.</p>	427.2	427.2

4.2. City of Glasgow College also received £1,189,842 towards the cost of lifecycle maintenance. Of this, £850,000 will be used to contribute towards the cost of the £2.5m NPD unitary charge and £339,842 to meet maintenance costs not included in the NPD contract.

5. Glasgow Kelvin College Update

5.1. Glasgow Kelvin College is currently progressing phase 2 of its Capital Plan with a total value of £2.6m. GCRB funded/part funded a number of projects, progress on each one is provided below:

Project	Description	Status	Initial Budget (£'000)	Revised Forecast (£'000)
Easterhouse Subsidence	Remedy subsidence and re-instate area	Complete	90	60
Security and Fire Systems	Project to install an integrated, open source fire and security system across all campuses	Complete	74	70
Campus Developments Springburn/ Easterhouse	-Science Storage -Front entrance -ICT Office -Relocation of admissions Learning Centre re-modelling Contribution to Estates work to create Innovation Centre.	Complete	120	154
Springburn & Easterhouse LAN	To improve network performance, learning experience and staff efficiency at Springburn Campus per ICT Strategy and Capital Investment Plan	Specification and procurement undertaken in partnership with Glasgow Clyde College. Hardware ordered and delivered. Installation scheduled for Easter break and during summer 2018 due to significant downtime associated with project.	246	246
Thin Client Installation	Project to implement an efficient, secure and modern ICT infrastructure over two years as per ICT Strategy. The College has 443 PC's on its network which are over 7 years old and a further 651 which are 5-6 years old.	Project amended following review. Allocation now being used for purchase of PCs and Macs. Order now placed for 80 iMacs and 650 PCs at a total cost of £490k.	264	264
Total			794	794

- 5.2.** Glasgow Kelvin College also received £539,184 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 which are budgeted at £1.7m in the current academic year. Of this total budget, £740k is allocated to replacement equipment and furniture, plant maintenance, general redecoration and cleaning and reactive repairs and replacements.

6. Glasgow Clyde College Update

- 6.1.** Glasgow Clyde College is currently progressing the following capital projects:

Project	Description	Status	Initial Budget (£'000)	Revised Forecast (£'000)
Interactive Smartboards	Procurement of interactive smartboards	Complete. The College purchased 54 Smartboards costing £300k, which were installed over the summer of 2017.	300	395 ²
Anniesland LAN	Upgrade of network infrastructure	Tender issued 1 November 2017. Commencement of contract 1 January 2018.	475	380
Total			775	775

- 6.2.** Glasgow Clyde College also received £748,000 an initial allocation towards the cost of lifecycle maintenance.
- 6.3.** Of this total, £400,000 has been invested in the programme of capital works over the summer period. This includes upgrades to the following areas: Anniesland Campus - Entrance Foyer, Bench Fitting Workshop, New Electrical Workshop and 2nd floor Classroom, Cardonald Campus - 3rd Floor Therapy Rooms, Langside Campus - Mary Stuart Building Entrance Foyer and Main Building Art Room, Shared Storage solution for the School of Media and Performing Arts, Television Production unit to allow GCC students to explore their potential with broadcast equipment to produce new and exciting video content.
- 6.4.** The remaining £348,000 has been spent on revenue works including redecoration and flooring replacement in general circulation areas across all three campuses based on the greatest priority need within the funding available.

² Additional spend of £95k on Interactive Smartboards is subject to approval by the Performance & Resources Committee

7. Allocation to Alternative Projects

- 7.1.** It is expected that actual costs will sometimes be higher, or lower, than an initial estimate. This may be as a result of a competitive tendering exercise or the identification of a problem that becomes apparent during the course of project implementation.
- 7.2.** Within the limits of the overall allocation, the Committee agreed at its meeting on 9 October 2017 that a college may offset savings on one approved project with additional expenditure on another approved project. The Committee is asked to note that the following decision has been made using this delegated authority:
- The Executive Director has approved that Glasgow Kelvin College may re-invest the saving on the Easterhouse Subsidence Project (£30k) and Fire Security Project (£4k) on Additional Campus Developments and Springburn and Easterhouse.
- 7.3.** GCRB has also received a request from Glasgow Clyde College to permit it to re-invest the savings on the LAN Network Project (£95k) to procure additional interactive smartboards. This amount is greater than the level delegated to the Executive Director (£50k) and is therefore referred to the Committee for consideration. The Committee is recommended to approve the request as a result of the following:
- The saving on the LAN Network Project has arisen as a result of the joint procurement exercise between Glasgow Clyde College and Glasgow Kelvin College.
 - The original bid submitted by Glasgow Clyde College in May 2017 requested £400k for interactive smartboards. The Committee determined that it only had sufficient resources available to award an initial £300k for this project.
 - The original bid submitted was for the 1st phase roll-out of the College strategy for smartboard replacement. The original bid intended to replace 50% of the smartboards and there are significant numbers still to be replaced.
 - The College has completed a procurement exercise for smartboards and it will be a straightforward process to purchase further units. This is useful given the limited time available before the end of the Scottish Government's financial year end.
- 7.4.** At its meeting on 9 February 2018, the Performance and Resources Committee approved an additional allocation for lifecycle maintenance to all three colleges. It was agreed that, if a college wished to utilise this allocation for a purpose other than lifecycle maintenance, then it should seek approval from GCRB. GCRB has received a request from Glasgow Clyde College to utilise the additional grant for Lifecycle Maintenance (£94k)³ for the purpose of procuring additional interactive smartboards. The Committee is asked to note that the following decision has been made using the delegated authority⁴:
- The Chair of the Performance and Resources Committee has approved that Glasgow Clyde College may utilise the additional grant (allocated on 9 February 2018) for the purpose of procuring additional interactive smartboards.

³ Allocated by the Performance and Resources Committee at its meeting on 9 February 2018

⁴ Agreed by the Performance and Resources Committee at its meeting on 9 February 2018

8. Risk Analysis

8.1. As the individual projects are now complete there are no further risks in respect of the allocation of capital funds.

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 2017-18 and the Regional Strategic Plan 2017-22.