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| Performance and Resources Committee Meeting |
| Date of Meeting  | Wednesday 18 December 2019 |
| Paper Title | Capital Funding – 2019-20 |
| Agenda Item | 10 |
| Paper Number | PRC2-F |
| Responsible Officer  | Jim Godfrey, Interim Executive Director |
| Recommended Status | Disclosable  |
| Action | For Information |

1. Report Purpose
	1. Consider the progress reports for the capital projects in 2019-20.
2. Recommendations
	1. The Committee is invited to **note** the progress made by the colleges in respect of the capital projects in 2019-20.
3. Background
	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** |
| **Lifecycle Maintenance** | £893,766 | £629,779 | £393,455 | **£1,917,000** |
| **Very High Priority Maintenance** | £0 | £1,023,000 | £600,000 | **£1,623,000** |
| **Total** | **£893,766** | **£1,652,779** | **£993,455** | **£3,540,000** |

1. City of Glasgow College Update
	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.
2. Glasgow Kelvin College Update
	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 30 November 2019, is provided below:

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| **Glasgow Kelvin College** |
| **Project** | **Description** | **Status** | **Initial Budget** | **Revised Forecast** | **Spend to 30 November 2019** |
|  |  |  | **(£’000)** | **(£’000)** | **(£’000)** |
| **Multi-Campus** |   |   |  |   |  |
| Building Management System | Some additional connections to the BMS system required | Project complete – minor configuration issues to be addressed and retention still due | 40 | 40 | 25 |
| Replacement carpets/flooring |  | Orders placed for work in October break. | 60 | 60 | 21 |
| Redecoration - internal | Building maintenance | Orders placed for work in October break. | 60 | 60 | 19 |
| Health & Safety items |  | Completed | 30 | 45 | 30 |
| Replacement Equipment |  | Orders placed | 30 | 30 | 0 |
| Grounds maintenance |  | Completed | 20 | 16 | 16 |
|  |  |  |  |  |  |
| **Springburn** |   |   |   |   |   |
| M&E Replacement |  | Programme to be confirmed upon completion of BMS project | 260 | 251 | 70 |
| Ground floor toilets | Complete refurbish including cubicles and re-tiling | Completed | 18 | 25 | 25 |
|  |  |  |  |  |  |
| **Easterhouse** |  |  |  |  |  |
| Student common room/learning environment upgrade |  | Student Association developing design | 20 | 25 | 10 |
| **West Campus** |   |   |   |   |   |
| Repair front entranceway door |  | Complete | 18 | 4 | 4 |
| **Other** |   |   |   |   |   |
| Project Management |   | On-going | 45 | 45 | 26 |
| **Total** |   |   |  **601** |  **601** |  **246** |

* 1. 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.
1. Glasgow Clyde College Update
	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:

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| **Glasgow Clyde College** |
|  **Project** | **Description** | **Status** | **Initial Budget (£’000)** | **Revised Forecast****(£’000)** | **Spend to 30 November 2019 (£’000)** |
| Lifts | Replace disabled access lifts in the Tower Building and Business Centre | Tender returned. Works due to start. | 210 | 155 | 0 |
| Chiller Plant | Chiller plant and AHU across Cardonald Campus Tower Building | 880 | 470 | 40 |
| Roof in Student Area | Replace remaining flat roof | 40 | 110 | 0 |
| Proposed reallocation to next two high priority items1. Boiler/Plan Replacement at Mary Stuart/ Litehouse building2. Lighting replacement at Cardonald | Very old plant reaching end of useful lifeReplace with more efficient and effective lighting | Request to retain and reallocate these funds to be considered by the Committee | N/A | 288 | 0 |
| **Total** |  |  | **1,130** | **1,023** |  **40** |

* 1. The three projects previously reported on to the Committee are the Replacement of the Disabled Lifts, Chiller Plant and Flat Roof. All of these works are at the Cardonald campus. Although there is only a small amount of expenditure against these projects to November 2019, the College have concluded the tender process and the works are ready to start on site. The College have confirmed that they will all be completed by end March 2020.
	2. The high priority maintenance allocation for Glasgow Clyde College (£1,023,000) was 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. However, the tender for the three projects has now been returned and the overall cost is much lower (£735,000).
	3. Glasgow Clyde College has therefore requested that it retain the balance (£288,000) and use this towards the next two highest priority estates maintenance projects. The proposed projects would be the Replacement of the Boiler Plant that serves the older two buildings at the Langside campus and replacement of lighting at the Cardonald campus to provide more efficient and effective lighting equipment. These are also projects which the College believes can be delivered with a relatively short lead in time to aim to achieve the expenditure by the end of March. The £288k would cover the Boiler Plant Replacement at the Mary Stuart and Litehouse buildings and a proportion of the Replacement Lighting at Cardonald as far as can be met from the remaining balance.
	4. Glasgow Clyde College also received £629,799 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 is allocated to planned and reactive maintenance and the balance is for other essential non-staff premises costs.
1. Risk Analysis
	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.
2. Equalities Implications
	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.
3. Legal Implications
	1. No legal implications are identified.
4. Resource Implications
	1. The financial implications are outlined above.
5. Strategic Plan Implications
	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.