

Education, Children and Families Committee

10am, Tuesday 24 May 2016

Communities and Families Capital Asset Management Programme 2014-2019 - Year 2 Progress Report on Highest Priority Poorest Condition Establishments

Item number	7.2
Report number	
Executive/routine	
Wards	

Executive summary

This report provides an update on progress with the delivery of the Communities and Families five year asset management improvement plan for highest priority - poorest condition establishments, as approved by Committee in December 2013. The update is a forecast position up to the end of year two, March 2016.

Links

Coalition pledges	P3 , P30
Council outcomes	CO15 , CO19
Single Outcome Agreement	SO4

Children and Families Capital Asset Management Programme 2014-2019, Year 2 progress update on progress with the poorest condition establishments

Recommendations

- 1.1 The Education, Children and Families Committee is requested to:
 - 1.1.1 Note the significant progress made in delivering the schedule of works designed to upgrade the 'C' condition rates schools to 'B' (satisfactory).
 - 1.1.2 Note the progress made with B condition schools to prevent risk of deterioration to C condition;
 - 1.1.3 Note that further asset management works are progressed for properties based on the future expected lifespan of the building, and
 - 1.1.4 Note that should unforeseen issues or emergencies arise over the course of the (five year) programme, it may require reprioritisation of the later years spend.

Background

- 2.1 In December 2013, the Education, Children and Families Committee approved a five year programme of investment in the Children and Families estate, via the Asset Management Works budget, amounting to £31.56million.
- 2.2 The scope of work was determined from 2012/13 condition survey information and prioritised on the basis of need. Of the 173 properties surveyed:
 - One property was identified as Condition D (Bad);
 - 15 of the properties were identified as Condition C (Poor); and
 - Eight of the properties were identified as Condition B (Satisfactory), but requiring significant investment to prevent deterioration to Condition C.
- 2.3 Priority against the £31.56 million spend was given to funding:
 - Essential health and safety, wind and water tight requirements across the estate;
 - The poorest C condition rated establishments; and
 - B condition rated establishments which needed significant investment to prevent deterioration to C condition.

- 2.4 In addition to the original approved programme, further works to address C condition elements have been identified from more recent surveys. A sixth year of funding was approved by Council in February 2015, which added an extra £11m into the revised programme.
- 2.5 The Children and Families Asset Management Plan 2014 identified the need for condition data to be reviewed on a regular basis. A survey team was established in 2015 to undertake a five year rolling programme of council wide condition surveys, which will allow for this update in due course.
- 2.6 This report has been prepared to summarise progress against the original approved five year asset management works programme.

Main report

Progress against the improvement programme

- 3.1 Good progress continues to be made in delivering the five year programme of asset investment works in the Communities and Families estate to complement other projects under the core Capital Investment Programme.
- 3.2 The single establishment identified as Condition D in the 2012/13 survey was Duncan Place Resource Centre. Whilst this facility was forced to close, the Communities and Families Service now have plans to rebuild a new gym and nursery for Leith Primary School, and the potential community asset transfer of the community aspects of the building are being considered.
- 3.3 The 2012/13 surveys identified five secondary schools as condition C. Of these, three form part of the Wave 3 replacement programme; James Gillespie's, Boroughmuir and Portobello High Schools. Phase 1 of James Gillespie's complex is now operational and phase 2 is scheduled for later in 2016, as are Boroughmuir and Portobello. All three new schools will be rated condition A on completion.
- 3.4 Of the primary schools identified as condition C in 2012/13, St John's RC Primary will be replaced under Wave 3 and occupy part of the existing Portobello High School site. The school will be rated Condition A on completion.
- 3.5 The table in Appendix 1 summarises progress against the original programme of Asset Management Works for C condition establishments that were considered to be in the poorest condition:
 - Abbeyhill; Blackhall; Gilmerton; Holy Cross RC; Nether Currie; St Cuthbert's RC; St John Vianney RC and Stenhouse Primary Schools;
 - Queensferry High School (now planned for replacement) and Wester Hailes Education Centre;

- Hope Cottage and Tynecastle Nurseries (Tynecastle is now planned for replacement associated with a land transaction with Heart of Midlothian Football Club);
- Gorgie War Memorial Hall; Craigentenny Community Centre and Gracemount Youth Centre.

Note that several of the projects are expected to be completed prior to their original scheduled date.

- 3.6 The 2012/13 surveys also identified a number of B rated establishments which required significant early investment to prevent deterioration to C condition.
- 3.7 The table in Appendix 2 summarises progress against the original programme of works for B condition schools requiring significant investment;
- Currie and Liberton High Schools and Trinity Academy;
 - Broughton; Davidson Mains; Gracemount; Prestonfield and Royal Mile Primary Schools.

The table also demonstrates good progress against original targets.

Review of Prioritisation of Investment Requirements

- 3.8 It is anticipated that the current situation will prevail, whereby the need for asset management and revenue maintenance works will be greater than available budgets can address. A prioritisation matrix has therefore been prepared as shown below (with red denoting action required).

Priority of Buildings	Priority of Works		
	P1 (Immediate) Must Do	P2 (Yrs 1-2) Should Do	P3 (yrs 3-5) Would Do
BP1			
BP2			
BP3			
BP4			
BP5			
BP6			

- 3.9 As per existing practice, top priority will be given to addressing immediately essential issues as shown in the table below:

Priority Rating	Description
P1	Must Do (immediate) - To address essential H&S/ comply with law/ avoid service disruption
P2	Should Do (within years 1 and 2) - To achieve/ maintain basic standards
P3	Would Do (within years 3 to 5) - Desirable works If affordable

- 3.10 Once essential issues have been addressed, allocation of remaining budget will be prioritised based on the expected future operational needs for the facility as determined by Communities and Families. The following table shows the priority ranking to be adopted:

Priority of Buildings	
BP1	Operational buildings expected to be fully occupied in the long term
BP2	Operational buildings expected to be fully occupied in the medium term
BP3	Operational buildings currently under review
BP4	Operational structures (other than buildings) expected to be retained in the long-term
BP5	Operational structures (other than buildings) not expected to be retained in the long-term
BP6	Other property assets

- 3.11 Surveys undertaken since 2013 have also identified a need to review prioritisation of works set out below.
- 3.12 Additional 30 year condition assessments were carried out for the six secondary schools identified for consideration as part of the Wave 4 process:
- Balerno; Currie; Leith; Liberton, Trinity and Wester Hailes.
- 3.13 This was reported to Council in August 2015 and at the following link:
[http://www.edinburgh.gov.uk/download/meetings/id/47905/item_83 -
future investment in the school estate %E2%80%93 wave 4](http://www.edinburgh.gov.uk/download/meetings/id/47905/item_83_-_future_investment_in_the_school_estate_%E2%80%93_wave_4)
- 3.14 The outcome of the updated Wave 4 Secondary School surveys is summarised within the table in Appendix 3.
- 3.15 It will be noted that the overall condition ratings for some of the six schools have changed as a result of the surveys;
- Balerno and Trinity have deteriorated from B condition ratings to C;
 - Wester Hailes condition rating has improved from C to B (following recent works); and
 - Although Leith condition rating has remained at B, significant further investment is recommended.
- 3.16 Much of the change in condition ratings is due to deterioration in the performance of mechanical and electrical (M&E) systems. The absence of a planned preventative maintenance budget has contributed to this deterioration and many of these M&E systems are approaching or exceeding their life expectancy and at risk of failure.
- 3.17 The Wave 4 process also concluded that more detailed feasibility studies are required, once future capacity requirements have been assessed, to determine whether refurbishment or new build might be required. It is proposed that the specification of further Asset Management improvements is based on the future expected lifespan of the building.
- 3.18 Updates of the 2009 condition surveys for Benmore and Lagganlia Outdoor Centres have resulted in the following;
- Benmore condition rating for the main building has changed from B condition to C.

- Lagganlia remains B condition rated, however further significant investment is required.
- 3.19 It is recommended that only essential health and safety works are programmed for Outdoor Centres and Community Centres until the outcome of the service review and estate review has been concluded.

New Deficiencies/ Deterioration

- 3.20 A considerable number of new projects have been introduced into the programme as a result of a series of more detailed surveys, including high level stone work inspections, to address health and safety, wind and water tight or plant failure issues which impact on service operations. These are also summarised in the table in Appendix 3 and include: Sciennes, Leith, and Leith Walk Primary Schools stonework repairs, and catastrophic boiler failure at Leith Academy and Prestonfield Primary. The limited available revenue maintenance budget and absence of a planned preventative maintenance budget is likely to result in further deterioration being identified in new surveys over time.
- 3.21 A number of Temporary Units across the school estate have also been assessed as poor condition and reaching or exceeded their life expectancy. Assessment is required by Communities and Families to determine the current operational use and whether this accommodation is core to meet schools' capacity requirements.
- 3.22 A number of Community Centres have also been deemed in a poorer condition than previously reported, in particular Inch, Craigentiny, Juniper Green and Gracemount Youth Centre. Again, it is recommended that only essential health and safety works are programmed until the outcome of the service review and estate review has been concluded.

Summary of Capital Expenditure and Project Slippage

- 3.23 The total approved five year budget allocation for 'C' and 'B' condition rated establishments was £18.677m and the forecast outturn position at the end of March 2019 is anticipated to be nearer £22.756m due to additional funding being aligned to these schools. The overall five year improvement programme remains on target for completion by March 2019.
- 3.24 The combined two year budget allocation for C and B condition rated establishments was £8.657m. The forecast combined outturn position at the end of March 2016 is £8.386m. Priority has been given to addressing C rated establishments, with more B rated issues being addressed in later years.
- 3.25 An additional budget was allocated to address the poorest condition playgrounds and toilets identified from the original 2013 condition data, as reported to Education, Children and Families committee in October 2015. A number of the poorest condition schools will also benefit from this additional investment, as follows:
- Secondary Schools - Currie, Liberton, Trinity, Wester Hailes.
 - Primary Schools - Holycross, Royal Mile, St John Vianney.

Measures of success

- 4.1 The categorisation of more Children and Families establishments as 'A' or 'B' within five years.
- 4.2 Maximising the capital spend within the programme and reduced programme slippage.

Financial impact

- 5.1 Capital expenditure will be contained within the overall five year asset management budget allocation.
- 5.2 It is anticipated the capital investment will have a positive impact on the revenue repairs and maintenance budget pressures.
- 5.3 It is estimated that there is sufficient funding to address around half of the Communities and Families capital backlog maintenance identified in the original surveys. Funding has been prioritised to address the worst first, however further deterioration may create a further unfunded pressure.

Risk, policy, compliance and governance impact

- 6.1 The Council has a legislative obligation to ensure Health & Safety and statutory compliance is met across the entire property portfolio, and the programme is prioritised to ensure this is met.

Equalities impact

- 7.1 The approved programme of work will improve environmental conditions and safety for all service users.
- 7.2 Some projects in the programme may cause some temporary disruption to day to day operations during the construction period. Consultation with the local management teams prior to starting on site ensures any health and safety implications are risk assessed and disruption is kept to a minimum.

Sustainability impact

- 8.1 There are positive impacts on carbon, adaptation to climate change and sustainable development arising directly from this report, in terms of the upgrades brought about in these buildings as a result of this investment and the way it is implemented.

Consultation and engagement

- 9.1 Priorities were agreed in consultation with Communities and Families. Regular monthly meetings are held to provide progress updates and discuss any operational issues as a consequence of the planned works.
- 9.2 Engagement is ongoing with the individual establishments included in the programme to agree the timing of the individual proposals to ensure minimal disruption to the service.
- 9.3 Customer satisfaction surveys will be issued on completion of the various work packages at appropriate stages.

Background reading/external references

- 10.1 [Scottish Government guidance: The Condition Core Fact: Building Our Future: Scotland's School Estate](#)
- 10.2 [Children and Families Capital Asset Management Programme Priorities 2014-15 – Report to Council 10 December 2013](#)

Hugh Dunn

Acting Executive Director of Resources

Contact: John Clarke, Estates Group Leader, Strategic Asset Management

E-mail: john.clarke@edinburgh.gov.uk | Tel: 0131 469 3338

Links

Coalition pledges	P3 - Rebuild Portobello High School and continue progress on all other planned school developments, while providing adequate investment in the fabric of all schools. P30 - Continue to maintain a sound financial position including long-term financial planning.
Council outcomes	CO15 - The public is protected. CO19 - Attractive Places and Well Maintained – Edinburgh remains an attractive city through the development of high quality buildings and places the delivery of high standards and maintenance of infrastructure and public realm.
Single Outcome Agreement	SO4 – Edinburgh's communities are safer and have improved physical and social fabric.

Appendices

Appendix 1 – AMW Progress Summary - C condition establishments.

Appendix 2 – AMW Progress Summary - B condition establishments requiring significant expenditure.

Appendix 3 – Summary of 2014-15 Condition Survey Updates and Resultant Actions.

C condition establishments: Progress Summary for 2014-19 Original Programme

Note: Programme is RAGed, blue denotes performance has exceeded expectations

Property	Target Date	Current Status				Comments
		R	A	G		
WHEC	March '19					Significant progress has been made. Remains on target for completion by March 2019.
Queensferry High School	March '19					H&S works completed only. Remainder of works on HOLD due to planned replacement.
Abbeyhill Primary School	March '19					5 year programme of works anticipated to be complete by summer 2016 ahead of schedule.
Blackhall Primary School	March '19					Approved scope of work remains on target for completion by end of March 2019.
Gilmerton Primary School	March '19					Approved scope of work remains on target for completion by end of March 2019.
Holy Cross Primary School	March '19					5 year programme of works anticipated to be complete by summer 2016 ahead of schedule.
Nether Currie Primary School	March '19					5 year programme of works anticipated to be complete by summer 2016 ahead of schedule.
St Cuthbert's Primary School	March '19					Approved scope of work remains on target for completion by end of March 2019.
St John Vianney Primary School	March '19					5 year programme of works anticipated to be complete by summer 2016 ahead of schedule.
Stenhouse Primary School	March '19					Approved scope of work remains on target for completion by end of March 2019.
Hope Cottage Nursery	March '19					Approved scope of work remains on target for completion by end of March 2019.
Tynecastle Nursery						Removed from programme – due to planned replacement Nursery.
Craigentiny Community Centre	March '19					Phase 1 repairs complete. Remaining work on HOLD pending review of Community facilities.
Gorgie War Memorial Hall	March '19					5 year programme of works anticipated to be complete by Easter 2016 ahead of schedule.
Gracemount Youth Centre	March '19					Approved scope on HOLD pending review of Community facilities.

B condition establishments requiring significant investment: Progress Summary for 2014-19 Original Programme

Property	Target Date	Current Status				Comments
		R	A	G		
Currie High School	March'19					Approved scope of works remains on programme for completion March 2019.
Liberton High School	March'19					Approved scope of works remains on programme for completion March 2019.
Trinity Academy	March'19					Essential H&S works only will be progressed until the outcome of the Wave 4 feasibility study is finalised.
Broughton Primary School	March'19					Approved scope of works remains on programme for completion March 2019.
Davidsons Mains Primary School	March'19					Approved scope of works remains on programme for completion March 2019.
Gracemount Primary School	March'19					Approved scope of works remains on programme for completion March 2019.
Prestonfield Primary School	March'19					5 year programme of works anticipated to be complete by summer 2016 ahead of schedule. However due to unforeseen heating failure, heating replacement will be carried out on a phased basis over the next 2-3 years.
Royal Mile Primary School	March'19					Approved scope of works remains on programme for completion March 2019.

Summary of 2014 -15 Condition Surveys and Resultant Actions

Property	Survey Date	Main Findings	Action Taken
Balerno High School	March '15	Condition rating downgraded from B to C following 30 year plan survey. Original mechanical and electrical services are now at the end of their life expectancy and at risk of imminent failure.	Further window replacement has been completed since the date of the condition survey. Further investment is being considered as a priority from future years budget allocation.
Currie High School	March '15	Condition rating remains B following 30 year plan survey.	Original approved asset management programme should maintain this property in a satisfactory condition barring any unforeseen failures.
Leith Academy	March '15	Condition rating remains B following 30 year plan survey. Significant further investment is recommended.	Replacement boilers and plant room improvements have been completed since the date of the condition survey. Further investments being considered as a priority from future years budget allocation.
Liberton High School	March '15	Condition rating remains B following 30 year plan survey.	Original approved asset management programme should maintain this property in a satisfactory condition barring any unforeseen failures.
Trinity Academy	March'15	Condition rating downgraded from B to C following 30 year plan survey. Original electrical services are now at the end of their life expectancy and at risk of imminent failure.	Original approved asset management programme will be reduced to address immediate H&S issues only. Further phases of asset management works will remain on HOLD until the outcome of the Wave 4 feasibility is completed to determine whether refurbishment or new build is required.
Wester Hailes Education Centre	March'15	Condition rating upgraded from C to B. Improved condition rating is a result of asset management works completed to date.	Continue to progress all remaining original scope of works. Additional £3 million allocated.

Benmore Outdoor Centre	April '15	Condition rating downgraded from B to C. Original mechanical and electrical services are now at the end of their life expectancy and at risk of imminent failure.	Essential H&S works only are being progressed until the outcome of the review of Outdoor Centres is complete.
Lagganlia Outdoor Centre	Oct'15	Condition rating remains B Significant further investments recommended	Fire upgrade works is on site however will only be partially complete due to further asbestos being identified. Essential H&S works only are being progressed until the outcome of the review of Outdoor Centres is complete.
Sciennes Primary School		Stonework defects identified from survey at height.	Immediate health & safety works addressed from revenue maintenance budget.
Leith Primary School		Stonework defects identified from survey at height.	Immediate health & safety works addressed from revenue maintenance budget.
Leith Walk Primary School		Stonework defects identified from survey at height.	Immediate health & safety works addressed from revenue maintenance budget.
Leith Academy		Boiler failure.	Remedial works approved from AMW budget.
Prestonfield Primary School		Boiler failure.	Remedial works approved from AMW budget.
Inch House Community Centre		More detailed surveys identified need for significant spend if facility to remain operational.	Future of facility under review. Essential only health & safety work to be undertaken until future of facility determined.
Craigentinny Community Centre		Rated C condition	Awaiting outcome of service and estate review
Colinton Community Centre		Further deterioration of roof covering resulting in repeated ingress of water.	Remedial works approved from AMW budget.
Gracemount Youth Centre		Rated C condition	Awaiting outcome of service and estate review

"C" rated Playgrounds		More detailed surveys and subsequent tender prices resulted in substantial increase in project costs.	AMW budget allocation increased.
"C" rated Toilets		More detailed surveys and subsequent tender prices resulted in substantial increase in project costs.	AMW budget allocation increased.
TUs across school estate		Several TUs have assessed as poor condition and reaching/exceeding life expectancy.	Further assessment required by C&F to determine current operational use and future core need for each of these TUs.