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FINANCE & GENERAL PURPOSES COMMITTEE REPORT

Subject: Estates Developments Update	Purpose: For Approval <input type="checkbox"/> For Discussion <input checked="" type="checkbox"/> For Information <input type="checkbox"/>	
Prepared by: Peter D Smith, Vice Principal – Finance and Resources	Date: 23 May 2017	
Purpose: To update the Committee as to the current position with regard to estates projects.		
Linked to Strategic Goal 5: Build Sustainability.		
Executive Summary: <p>The attached report provides a further general update to the Committee since the consideration of my previous report in February 2017.</p>		
Recommendation: That Committee discuss the paper.		
Previous Committee Approvals: n/a		
For publication <input checked="" type="checkbox"/>	For publication with redactions <input type="checkbox"/>	Not for publication <input type="checkbox"/>

BORDERS COLLEGE

FINANCE AND GENERAL PURPOSES COMMITTEE

Estates Developments

1.0 INTRODUCTION

- 1.1 This paper updates the Committee as to progress on previously agreed estates and accommodation projects.
- 1.3 The paper also provides an update on the sale of surplus property at Melrose Road and advises the Committee on recently-emerging issues which may have a bearing on our wider plans.

2.0 BACKGROUND

- 2.1 Agreed Estates projects for the various campuses are as follows: -

2.1.1 Scottish Borders Campus

The main theme of works at Scottish Borders Campus is the planned and preventative maintenance (PPM) programme, with some reactive works as necessary. Accommodation moves are tied into the Tweedbank project.

2.1.2 Landbased Industries – Newtown St. Boswells

The main theme of works at Newtown St. Boswells is also the PPM programme, with some reactive works as necessary. Better utilisation of external facilities has freed up space on Campus in the short-term. Longer-term, options to be considered will be relocation or larger-scale redevelopment on-site.

2.1.3 Hawick Campus

The majority of works at the Hawick Campus are again PPM and reactive maintenance. Some final accommodation moves are tied into the Tweedbank project.

2.1.4 Tweedbank

Additional accommodation at Tweedbank was sourced to provide better facilities for the College's Brickwork, Engineering and Painting and Decorating programmes.

- 2.2 In terms of surplus property, the College still retains the majority of the Melrose Road site, vacated in April 2009, at the time of relocation to Scottish Borders Campus.
- 2.3 The College has been included in the Scottish Funding Council's Colleges Energy Efficiency Pathfinder (CEEP) programme with may attract funding for carbon-reduction projects.

3.0 CURRENT POSITION AND PROJECT UPDATES

3.1 Scottish Borders Campus

- 3.1.1 The only remaining moves are the Painting and Decorating and Engineering workshops once the Tweedbank fit-out is complete. This is scheduled for summer 2017.

3.2 Landbased Industries – Newtown St. Boswells

- 3.2.1 The new fields and wooded area are operational. The only outstanding piece of work is enclosing the reception area in the staff base. Quotes have been obtained for this and are subject to identifying available budget.
- 3.2.2 No further discussions have taken place with H&H Group on an alternative site. The revised Estates Strategy will be based on a long-term solution for Landbased Industries.

3.3 Hawick Campus

- 3.3.1 The final planned move of the Joinery Workshop to Scottish Borders Campus will take place once the Tweedbank fit-out is complete. This will enable the re-opening of the Renewables Centre with Worcester Bosch.

3.4 Tweedbank

- 3.4.1 The works at Tweedbank are, to all intents and purposes, complete, with only some final electrical works to be undertaken. The works were phased to allow the Brickworks Programmes to occupy the premises in April and vacate their previous location without incurring further cost.
- 3.4.2 Practical completion and handover is now expected by 02 June 2017, to allow the further moves to take place over the summer break..

4.0 SALE OF SURPLUS PROPERTY AT MELROSE ROAD

- 4.1 We have had informal approaches from a potential buyer. At the time of writing, I await a formal offer.

5.0 CEEP

- 5.1 The College, along with five others, asked for inclusion in a bid which has attracted a total of £5M in funding from the Scottish Government. The final amount allocated to Borders College after the completion of the procurement exercise is £221k. Works to be undertaken include the replacement of light fittings across all campuses with LED fittings, voltage optimisation at Scottish Borders Campus and fitting of timers to devices such as vending machines
- 5.2 The proposal from the winning bidder – Ameresco – projects annual savings of approximately £24,000 and 246,000kWh per annum. At the time of writing, I am reviewing final proposals and contract details.

- 5.3 Works are scheduled to take place in July and August. The funding includes an allocation for the appointment of a Clerk of Works to assist the client side in managing the project.

6.0 FINANCIAL IMPLICATIONS

- 6.1 The budgeted Tweedbank project cost is £660k, with £600k coming from SFC, against the future sale of Melrose Road. The remaining £60k has been funded from the additional capital allocation from SFC. The project is expected to complete within budget.
- 6.2 There is no capital outlay from the College for the CEEP Project.

7.0 RISK COMMENTARY

- 7.1 With Tweedbank at the point of completion within budget, there is little remaining risk in this regard.
- 7.2 Longer term, there is a risk to curriculum delivery if we cannot resolve the issues at Newtown St. Boswells. As noted previously, this must be the main thrust of future estates strategy.

8.0 CONCLUSION

- 8.1 Work has progressed well and we look forward to successful completion of our moves in time for academic year 2017-18..
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23 May 2017