

Committee	Finance and General Purposes		
Date paper prepared	02/03/2026	Date of committee meeting	10/03/2025
Subject	Feb Update - Estates Capital Works Plan 2025-26		
Author	Doug Rattray – Head of Infrastructure		
Action requested	Approval sought		
Purpose of the paper	The purpose of this paper is to update the committee on the list of capital projects approved to be undertaken in 2025-26. Original approval for these works was sought in the Sept 2025 committee meeting in the paper titled Estates Capital Works Plan 2526 .		
Summary of the paper	- Those approved essential projects have generally progressed into procurement, initiation or completion. - Some smaller projects (deemed discretionary) are being held back until the 2nd half of the academic year to act as contingency or pushed further into 2026-27. Pending assessment of capital budget. - We're anticipating no capital spend on the budgeted project to replace the Stornoway Campus main heating system in 2026 as the project is now planned for 2026-27. - We're anticipating a cost increase on one project from £130k (funder solely through an SFC Em Grant Fund) to £214k due to two causes: necessary scope increase & cost increase following tender. The project has previously been approved to proceed by F&GP at the budget of £130k, the additional £84k required is to be funded through holding off in discretionary spend elsewhere in the approved plan. - We have been successful in securing £320k in external grant funding applications this year: - We are awaiting confirmation of external funding for works linked to the sale of a property in Wick.		
Consultation	Consultation has been ongoing within the estates team, APUC and with staff / functions affected by the planned works.		
Resource implications	Estates team and APUC staff time will be required for scoping works, engagement of professional services and facilitating and overseeing on-campus works once underway. Project management resource may be required depending on the project load.		
Risk implications	Failing to maintain the college estate and undertake essential works in a timely manner has a range of consequences, affecting the college staff, the student body and other users. These include but are not limited to: - Safety risks associated with structural issues - Increasing costs of deferred works due to developing issues - Deferred costs being unaffordable at a future date alongside newly emerging works		

	• Estates team being understaffed to manage deferred works programmes. • Energy inefficiency of outdated systems • Aesthetic degradation of buildings and eventual loss of functionality • Reputational damage where deterioration is visible
Link with strategy	These works link directly to the Infrastructure Strategy.
<u>Equality, Diversity, and Inclusion</u>	This report has been written to be readily understandable and accessible to all readers, including those with disabilities or impairments, in line with the Equality Act 2010. It is assumed that the works listed herein will have no direct equality, diversity and inclusion impact other than by enabling the planned operation of the college.
Island Community Impact	Not required in this instance.
Paper status	☒ Open – The paper may be circulated to non-members of the committee and published online without restriction. ☐ Restricted – The paper must not be circulated to non-members or published online until after the committee meeting. ☐ Confidential - The paper must not be circulated beyond the committee members and should not be published online. Some information is considered commercially sensitive. [Please note papers may still be subject to Freedom of Information requests – see below].
<u>Freedom of information</u>	Open

F&GP Paper

Feb Update

Estates Capital Works Plan 25-26



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Introduction

This paper provides an update on the list of capital projects approved to be undertaken in 2025-26. Of the approved works:

- Those approved essential projects have generally progressed into procurement, initiation or completion.
- Some smaller projects (deemed discretionary) are being held back until the 2nd half of the academic year to act as contingency or pushed further into 2026-27. Pending assessment of capital budget.
- We're anticipating no capital spend on the budgeted project to replace the Stornoway Campus main heating system in 2026 as the project is now planned for 2026-27.
- We're anticipating a cost increase on one project from £130k (funder solely through an SFC Em Grant Fund) to £214k due to two causes: necessary scope increase & cost increase following tender. The project has previously been approved to proceed by F&GP at the budget of £130k, the additional £84k required is to be funded through holding off in discretionary spend elsewhere in the approved plan.
- We have been successful in securing £320k in external grant funding applications this year:
 - Funding application to CPBI fund (£90k) has been successful. Project is now completed.
 - Two funding applications to SFC Emergency Grant funding (£230k) have been successful. Both projects are in procurement.
- We are awaiting confirmation of external funding for works linked to the sale of a property in Wick.

Project Schedule

The Estates Major Works plan for 2025-26 is presented below.

Table 1: 2024-25 Planned Capital Works Programme (All values are £ (including VAT))

Project	F&GP Approved Budget (Nov 2025)	Anticipated Cost (2025-26)	Funding Source (value)	
			SFC CAPEX	Other
Oil Boiler Replacement, STW	100,000	0,000	100,000	CnES / HIE
E-Block Roof Works, STW	121,200	121,200	121,200	
LapSafe Cabinet & IT Solution, Thurso	32,000	32,000	32,000	
Install Emergency Lighting, FW	12,000	12,000	12,000	
CCTV & Access Controls, FW	30,000	30,000	30,000	
Dome Lift Control System Overhaul, Thurso	30,000	30,000	30,000	
Tower Lift Overhaul, Thurso	100,000	100,000		SFC Em. Grant (100,000)
Biomass Boiler Replacement, FW	130,000	213,567	83,567	SFC Em. Grant (130,000)
Café Development (Caithness Demo), Thurso	90,000	90,000		C-ness Demo (90,000)
CFEE Bridge Flat Roof, Thurso	50,400*	50,400 (tent.)		Sale of Wick
Asbestos Removal and Reinstate Admissions Windows, Thurso	£10,000*	£10,000 (tent.)		Sale of Wick
Value of Funded Projects			308,767	320,000
Value of Funded Project (All Sources)			628,767	
Value of Tentative Projects				60,400

Table 2: CDEL/RDEL Spend Analysis

	CDEL	RDEL
Value of Projects (SFC Capex)	308,767	
FW Curtain Wall Project (part funded from 25-26 CAPEX)	113,877	
SFC FE Capital Grant Allocation 2025/26	819,000	
Remaining Value (RDEL potential)		396,356

Individual Project Updates

Oil Boiler Replacement – Estimated contribution £200k-250k in 2027

The company M-Four have carried out the survey and feasibility works (phase 1). This feasibility study identified various options to replace the heating system. The preferred option currently is to replace the aged oil boilers with modern gas boilers supplemented by ASHPs and on-site PV, reducing the carbon emissions by approximately 50% and allowing the project to bring in additional grant funding support.

CnES and HIE have been engaged with as prospective funders for the project replacement. A joint project team has been set up between UHI NWH and CnES. Currently exploring project financing options and undertaking due diligence on the preferred option, particularly around assessing reliability of the supply chain.

In Sept 2026, F&GP approved a budget of £100k to be spent against this project pending availability of match funding. The project is currently being planned for 2026-27 with no spend anticipated during 2025-26.

E-Block Roof Sectional Replacement – Estimated Cost £121k

These works were approved to proceed within a budget of £121,200 at Nov 2025 F&GP.

The preferred supplier, CBES, are being engaged with to provide a final quote as well as a programme of works. It is anticipated that the works will be scheduled for Summer 2026.

LapSafe Cabinet and IT Solution – Estimated Cost £32k

The LapSafe Cabinet and IT Solution is a plug and play fixed asset provided by our framework supplier HP. These works are planned to be completed in the second half of the academic year subject to funding availability.

These works are more discretionary in nature, and the college retains flexibility regarding whether and when to proceed with them. As such these works are being held back to provide contingency against cost inflation in other more essential planned works.

Install Emergency Lighting – Cost £12k

The company PHS Compliance have carried out these works in Jan/Feb 2026.

CCTV & Access Controls – Estimated Cost £30k

These works are planned to be completed in the second half of the academic year subject to funding availability.

These works are more discretionary in nature, and the college retains flexibility regarding whether and when to proceed with them. As such these works are being held back to provide contingency against cost inflation in other more essential planned works.

Dome Lift Control System Overhaul – Estimated Cost £30k

The company RJ Lifts have been engaged with (not yet appointed) to carry out these works. We are awaiting a final quote from RJ Lifts as well as a programme of works outlining when the works can be completed. It is anticipated that the works be scheduled for Easter 2026 to minimise disruption to the nearby learning support class who require this lift to access the café area.

Tower Lift Overhaul – External Funding – £100k

This project is funded through SFC Emergency Capital Grant fund application, submitted in Sept 2025 and awarded in Nov 2025. The lift is currently operating on a restricted-use basis in which only goods are able to be transited between floors, not personnel.

A mini-competition within a suitable Scottish procurement framework has been completed and the preferred supplier CALTECH LTD. selected to undertake these works. The preferred supplier submitted a technically suitable bid within budget.

UHI NWH will move to appoint Caltech for this contract in March to ensure that the funds are formally allocated to a project within the financial year in which claims are eligible. It is anticipated that the works will be scheduled for during the Summer 2026 in order to minimise disruption.

Biomass Boiler Replacement – External Funding – £130k Estimated Cost – £214k

The biomass boiler replacement project has received £130,000 of SFC Emergency Grant funding support and has been approved to proceed by F&GP in Sept 2025. This project is seeking to replace the biomass boiler, the primary heating system for the campus, which has been identified as being at end-of-life.

During the preparatory site survey works to support the design, it was noted that the Fort William building management system (BMS) is non-functional and beyond repair. The BMS has multiple critical issues and requires to be replaced in order to operate the new biomass boiler system. Note that the BMS system failure occurred after the original project scope was proposed to SFC. The estimated cost increase anticipated due to this necessary scope increase was estimated at £24-£42k.

Through APUC we are finalising a mini-competition on Framework SXL-13-20 (Energy Efficiency Contractors) to engage potential suppliers for the provision of the works necessary to complete the project. Whilst three companies expressed an interest in the project, we have received only one tender with a price of £213,567 incl. VAT. This represents an additional £41-£60k increase above the estimate garnered in our early design works. Prior to contract award, we would be entering into contract negotiations with the proposed supplier and would look to reduce this figure where possible, particularly by removing any discretionary items from their proposed scope of works.

Easy Heat Systems, the proposed supplier, is well regarded company that we've worked with before and is technically competent to undertake the works.

It is requested that the budget approved for this project be revised upwards with additional funds allocated from underspend elsewhere in the capital works plan for 2025-26.

Should the project be approved to proceed at the revised budget, the proposed supplier can be directly appointed in March to ensure that the funds are formally allocated to a project within the financial year in which claims are eligible. It is anticipated that the works will be scheduled for during the Summer 2026 in order to minimise disruption.

Café Development (Caithness Demo) – External Funding – £90k

The Café Development (Caithness Demo) project has received £90,000 of Caithness Demonstrator funding support and has been approved to proceed by F&GP in Sept 2025. The redevelopment works associated with this bid, centred around the Thurso café and restaurant area are now complete and the café and restaurant facility are returned to regular use.

The project has seen significant improvements to the facilities in one of our main campuses with positive feedback received from staff, students and visitors.

CREE Bridge Flat Roof / Admissions Windows – External Funding – £60k

These works have been scoped out as to be completed in exchange for the transfer of a UHI NWH owned property in Wick that has been on the market for several years. We remain in negotiation with the contractor GMR Henderson, aiming for this reciprocal exchange to be finalised in the coming months. Following that, it is anticipated that the works would be undertaken during Summer 2026 at a time that would cause least disruption to college activity.

