



hub East Central Scotland

Annual Report 2020-2021

VALUE OF
HUB PROJECTS
£834m

£245m
IN DEVELOPMENT

£85m
IN CONSTRUCTION

£504m
OPEN AND
OPERATIONAL

£3.4m
HUB ENABLING
FUNDS

£935K
T1 REBATES

1,041
CONSTRUCTION CAREERS
INFORMATION AND
GUIDANCE EVENTS

2,137
TRAINING WEEKS ON SITE

WORK
PLACEMENTS
474

JOBS CREATED
444

TRAINING PLANS
786

QUALIFYING THE
WORK FORCE
644



28,963
EMPLOYEES

OF WHICH **14,400**
ARE LOCAL RESIDENTS

132%
OF SKILLS AND
EMPLOYMENT
TARGETS REACHED

56%
TERRITORY
BASED SMEs

88%
NATIONAL SMEs



AVERAGE SCORE

43/50

ACROSS
48 PROJECTS

CHAIRMAN'S REPORT

Our ninth year of operations started as the country was plunged into the biggest public health and economic challenges of the modern era. I am immensely proud of how our team rose to meet them, devising innovative new ways of working with our supply chain to ensure continued support for our Participants and the successful delivery of critical community projects.



IAN MULLEN
Chairman

During the year, our communities have benefitted from the completion of ten new early learning facilities, newly refurbished health centres and a state-of-the-art catering services unit.

The total value of hub projects continued to grow to £834 million, of which £504 million is open and operational with a further £84 million under construction and £245 million in development.

An independent report published by economic and social researchers EKOS Ltd found that the hub programme has performed well against its objectives. The report recognises that the hub has delivered substantial social impacts and community benefits across Scotland.

Improving people's lives in our communities is integral to all of our projects. In the year, our projects created 474 work placements, created 444 jobs and achieved 132% of our target for employment and skills outcomes.

We work closely with our Participant partners and contractors to support local SME's and give them the opportunity to bid for work on hub projects across the region with initiatives such as 'Meet the Buyer' events. Once again, this year more than half the value of project work was awarded to companies within the territory.

We are committed to reducing the environmental impact of community buildings and have introduced the

Passivhaus standard to provide a high level of comfort for occupants while using very little energy for heating and cooling. Work has started on our first new Passivhaus

primary school which will deliver a 60-80% reduction in energy consumption. Our team has also delivered several successful workshops for Participants to advise on how to adapt existing buildings to meet the standard.

Our strategic development fund has now provided £3.4 million in support for feasibility studies and concept development that enable our Participants to deliver valuable new community infrastructure. Our Participants recognise the value that we offer as a strategic development partner, bringing innovation, expertise and experience to ensure quality and delivery. Our team works closely with them from the inception of the project, ensuring that problems are solved in the preparatory phase to achieve high-quality completion on time and within budget.

Issues thrown up by the pandemic will continue to create challenges as we move forward, with pressure on logistics and materials, but we continue to operate with a strong model that supports social value. We are confident of continued success in the year ahead, with over £300 million of projects already under construction or in development.

SUPPORTING OUR COMMUNITIES

Improving people’s lives in the communities that we serve runs through the core of our work. We have adopted the Scottish Futures Trust Social Value model in our projects to measure the benefits that we deliver through our projects.

While some of our usual community engagement and education activity within schools was curtailed by the pandemic, our teams were still able to work within communities to support local projects.

Helping Hands Fife

Memorial Park Community Centre in Methil, Fife, was selected to receive a free refurbishment in hub East Central Scotland’s Helping Hands community initiative.

Under the programme, hub East Central Scotland contractor BAM Construction is providing a range of skills labour and materials to revitalise the community centre building, helping to create a facility more suitable to the groups that use it regularly.

The team is refurbishing kitchen facilities, laying new tiles on the main hall floor and upgrading toilet facilities and the main entrance to the building. The programme of work will be completed over a week.

The Memorial Park Centre was chosen as the winner from a shortlist of three entries put forward by Fife Council that included Lochgelly Town Hall and Castlehill Community Centre in Cupar. The two runners up will each receive £250 to use on improvements to their facilities. Selections were made by a panel from Fife Council and hub East Central Scotland.



Design Engineer Construct

hub is supporting the Design Engineer Construct (DEC) programme at Perth High School delivery for 20 pupils in S4 pupils and thirty-eight pupils in S3.

The programme was run successfully in the previous year with two classes each containing fifteen third year school pupils at the school. It was created by the UK social business 'Class of Your Own' (COYO).

hub East Central Scotland is not only Perth High School's industry sponsor for this initiative, but also provides industry expertise support to the programme delivery. Perth High School teachers attended DEC teacher training to ensure that they fully understood the curriculum delivery. The DEC is a Science, Technology, Engineering, the Arts and Mathematics focused curriculum course that delivers a recognised qualification and actively

encourages construction industry involvement in the programme. hub EC organised construction expert visits from:

- Site engineer
- Project Manager
- Landscape Architect
- BIM Manger
- Community Engagement Manager

The pupils were set various individual projects throughout the academic year, each of their projects had to be presented to a panel of industry judges. hub funded amazon vouchers as award prizes for best overall projects each term. The overall standard was extremely high, and the judges were extremely impressed with the attention to detail and the very high quality of the pupil's designs.



Virtual Work Experience

BAM Construction developed an innovative way of overcoming the restrictions around COVID-19 to create positive pathways for Madras College during the construction of their new school.

Their team created a virtual work experience programme for pupils that was delivered over five weeks. The initiative focused on developing awareness and understanding of employability skills for students, working closely with Developing the Young Workforce in Fife as well as local businesses and colleges.

Twenty young people took part in the programme, which included 11 modules on subjects such as sustainability, engineering, management and business development, delivered by a range of industry experts.

Supporting local business

hub's support for local SMEs and the Third Sector makes a significant contribution to local economic development by including measures that promote their involvement.

We continue to build on the success which has seen £253 million of work undertaken by local companies across the territory.



HIGHLIGHTS

Throughout the year hub East Central Scotland completed a range of major projects for the educational, health and cultural benefit of communities it serves:



Completed

Project	Value	Handover
Carnoustie Early Years	£3.5m	January 21
Forfar Early Years	£3.1m	December 20
Tayside Cuisine	£1.5m	August 20
NHS Forth Valley GP refurbishments Phase 1	£0.8m	March 21
Clackmannanshire Primary Schools & Early Years	£4m	July 21
Menstrie Early Years	£2.0m	January 21
Tullibody Primary Phase 4	£15.6m	January 21

Under construction

Project	Value	Completion due
Cowie Community Hub	£1.7m	July 22
Madras	£42.6m	June 21
Halbeath EY	£3.3m	October 21
Lochgelly EY	£2.4M	October 21
Pitcorthie EY	£3.0M	September 21
Rosyth EY	£1.7M	August 21
Park Nursery EY	£3.3M	October 21
NHS FV GP Phase 2	£0.9M	Dec 21
Falkirk Hub / Back Office Works	£0.7M	Oct 21
Perth City Hall	£24.3M	Apr 23



PASSIVHAUS

hub East Central Scotland is committed to taking an environmentally responsible approach to its projects and has incorporated the Passivhaus standard for the design and construction of buildings in our communities.

Passivhaus buildings provide a high level of occupant comfort while using very little energy for heating and cooling. They are built with meticulous attention to detail and rigorous design and construction according to the principles developed by the Passivhaus Institute in Germany. Certification requires an exacting quality assurance process.

Buildings that are constructed using the standard typically achieve a 75% reduction in space heating requirements, compared to standard practice for new build. The standard is an effective way to achieve a significantly lower carbon footprint while at the same time reducing running and maintenance costs.

Work has started on our first new Passivhaus project, North Muirton Primary School, for Perth and Kinross Council. The school will have capacity for 500 pupils, incorporating a nursery as well as additional supports needs.

The team at hub has also worked closely with Participants throughout the year to advise on how existing buildings can be retrofitted to meet the Passivhaus standard.





MADRAS COLLEGE

The £40 million project to replace Madras College created a single building that unites all pupils at the school under one roof for the first time in 50 years. Previously, classes were taught in three buildings a mile and a half apart in St Andrews.

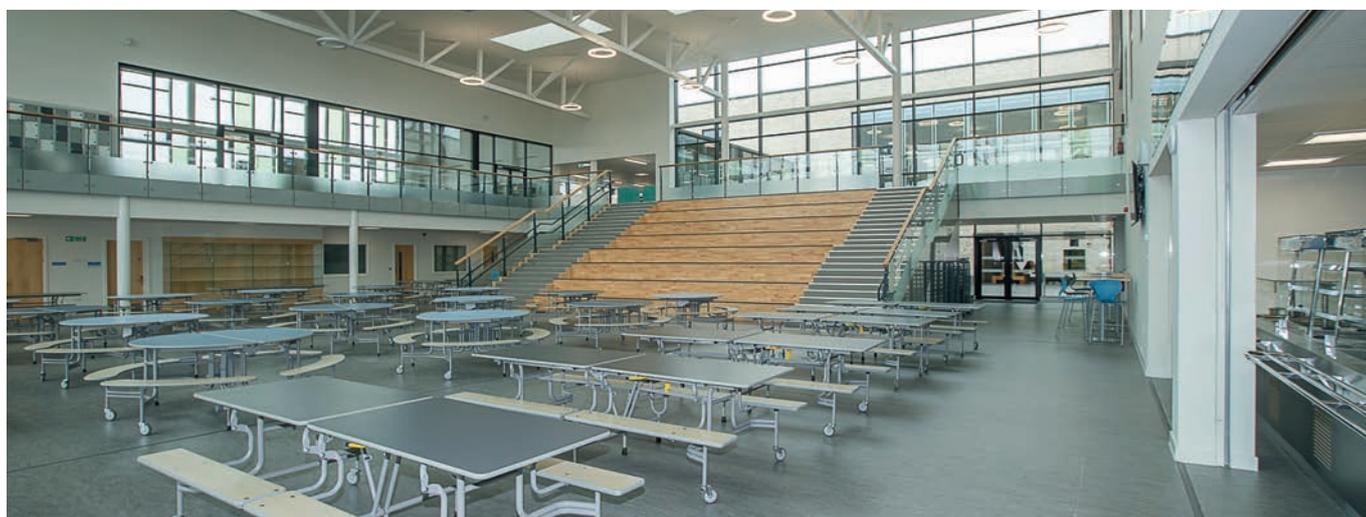
The new school was built by BAM Construction under Fife Council's Building Fife's Future Programme and brings 1450 pupils together on a new 21st century campus with scope for future expansion if required.

With a gross internal floor area of 15,185m², the layout of the building incorporates a large feature courtyard with direct linkage to a dining and space and assembly hall. Linear teaching blocks maximise natural light and

ventilation in classrooms. There are two all-weather floodlit sports pitches outside, along with car parking and a bus stance.

Despite the challenges of construction shutdown during the COVID-19 lockdown the project team, Fife Council and the supply chain worked tirelessly to minimise delay to three weeks and ensure that the school opened for the new term in summer 2021 as planned.

The new school provides a state-of-the-art learning facility that is future proofed to meet the needs of the community for many years to come.





ANGUS EARLY YEARS

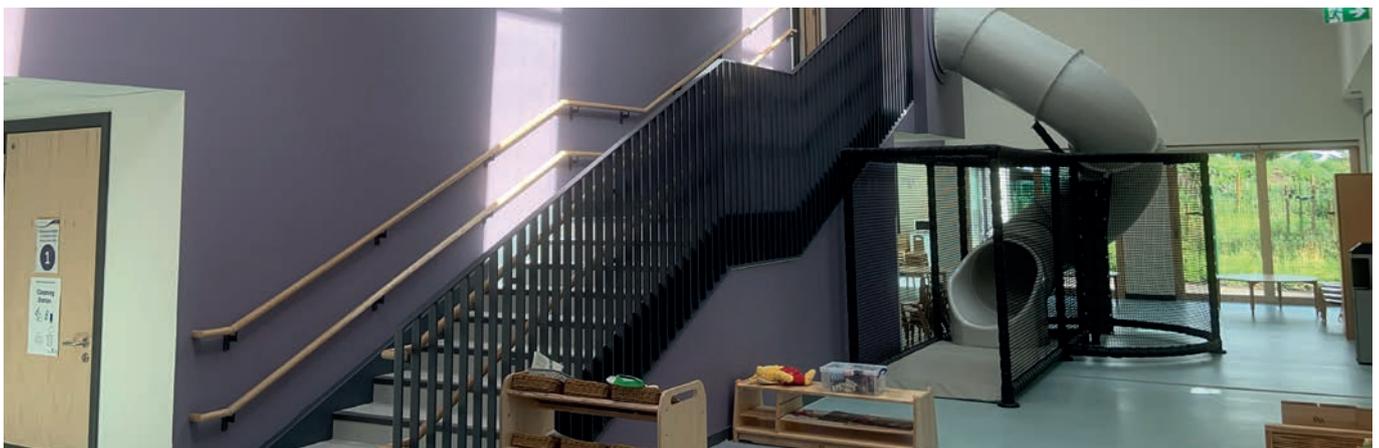
As part of Angus Council’s commitment to offer up to 1140 hours of funded early learning and childcare (ELC) each year two new early learning centres in Forfar and Carnoustie were built by Robertson Construction.

The Forfar ELC facility provides capacity for 150 children, built on land forming part of the grounds of the recently built Forfar Community Campus.

The Carnoustie ELC provides capacity for 205 children. It is split level due to the nature of the site and incorporates a lift and stairs as well as a chute to the main lower ground floor. When children leave their respective adults, they can move to the lower level by the main staircase or the chute.

Both centres are built to low energy designs and boast a variety of spaces including large playrooms, smaller breakout rooms, sensory rooms, changing places and staff accommodation for children attending both the Angus Council operated facilities and separate playgroups. An emphasis has been placed on outdoor space, creating diverse safe play areas which will both engage and educate.

Angus Council’s Children and Learning Convener, Councillor Derek Wann said: “These new centres mean more children will not only benefit from the high quality educational opportunities that brings but also the increased flexibility available to families. They are fantastic buildings and are incredible environments for children to learn in, giving them the best start in life.”





TAY CUISINE

The Tay Cuisine Central Production Unit in Dundee is the jewel in the crown of Tayside Contracts Catering Services Unit.

hub East Central Scotland led the project to deliver a major refurbishment and conversion to the CPU as Tay Cuisine became the supplier of school meals in Angus and Dundee, as well as community meals in Dundee.

The new CPU is at the heart of a transformation in services to a new cook freeze delivery model. It has been designed and built to offer the flexibility of increasing production significantly whenever needed. Production can now be extended to 24-hour 365 day service. The facility currently produces 59,000 school meals and 4,000 community meals every week.

The single site production unit and new processes reduce environmental impact with state of the art energy efficient equipment that uses 75,000 fewer hours of energy for food production. The efficiency of the CPU is expected to save at least £10 million for Angus and Dundee City Councils throughout the lifetime of its lease.





MENSTRIE PRIMARY SCHOOL

CLACKMANNANSHIRE EARLY YEARS

The £5.5 million project to upgrade early learning and childcare facilities for Clackmannanshire Council involved a wide scope of refurbishment, design and build and extension work across five primary school locations.

The rolling programme of work was undertaken by Maxi Construction, starting with alterations and an extension to Alva Primary School to create a new entrance and a community hub and library within the school.

Phased refurbishment work at Craigbank Primary School upgraded the accommodation while also creating a new reconfigured area dedicated to early years learning for 48 nursery places.

A new early learning centre was built at Menstrie within the grounds of the existing primary school, with open plan internal design and external hard and soft play areas. Once the new building was completed, the team undertook the refurbishment of the primary school's existing nursery.

A timber frame extension was built at Park Nursery and Early Years in Alloa, along with refurbishment of the existing facility.



ALVA PRIMARY SCHOOL



CRAIGBANK PRIMARY SCHOOL



FIFE EARLY YEARS

Three new early learning and childcare centres were built by Robertson Construction in Lochgelly, Halbeath and Pitcorthie along with the refurbishment of Rosyth Day Care Centre. The new facilities opened for the first intake of children in August 2021.

The new nursery in Lochgelly has been renamed the Sunflower Family Nature Centre with capacity for 58 children. Halbeath Nursery and Community Hall has capacity for 111 children and there is room for 106 children in Pitcorthie, renamed as beanstalk Family Nurture Centre.

The refurbishment of Rosyth Day Care Centre was completed in April 2021, with capacity for 74 children and it has been renamed the Treetop Family Nurture Centre.

The design of the new nurseries incorporated a modular building solution that focussed on the need to support staff in their efforts to provide an excellent social, teaching and learning environment for pupils and the wider community. Playrooms are light and airy with several 'zones' to provide clean and dirty play areas, as well as story corners and links to external play and learning spaces.

An internal flexible space provides break out dining facilities and a larger activity space which can function as a venue for community gatherings and activities.





FUNDING INNOVATION

hub East Central Scotland's strategic development programme enables the vital early work required to take projects from initial concepts to real project opportunities that will ultimately create sustainable high-quality facilities, meeting the needs of the communities they serve.

Last year over £350,000 was invested in the strategic development programme to support Participants in the creation of new projects.

This important project development funding will ultimately support the successful completion of new schools, health facilities, community hubs and cultural venues, including:

NHS Forth Valley – Falkirk Community Hospital

NHS Forth Valley – Primary Care estate review

Fife Council – Inverkeithing HS feasibility study

Angus Council – Monifieth HS condition survey

General – Vanilla Passivhaus primary school study

ADDING VALUE WITH TIER 1 REBATES

hub returned over £935,000 of rebates to Participants through T1 contractors, generated through a volume discount arrangement during the year.

The initiative is part of the original T1 Contractors Supply Chain Agreement, where the contractor provides annual rebates to Participants when their individual turnover exceeds £20m per annum, adding significant value through the procurement.

KEY PERFORMANCE INDICATORS

2020-2021 End of Year KPI Assessment

KPI	Description	Hub Performance	SPF	TRT	CIT
1	Health and Safety				
1.1	Reportable RIDDOR accidents in the Tier 1 suppliers UK wide organisation active in the hub territory	- SPF target must be <715 - Annualised AIR reported by Tier 1 is 92	●		
1.2	Reportable RIDDOR Accidents on hub Projects	- TRT target is <610 and CIT target <400 - Annualised AIR on all hub projects is 0		●	●
1.3	Number of HSE Enforcement Notices	- Target for TRT is 1 and CIT 0 - 0 HSE enforcement notices on any hub project		●	●
2	Management Systems and Methodologies				
2.1	Compliance with Management Systems	- TRT failure >10% and SPF failure >15% non-conformances. - Not applicable during the reporting period	●	●	
3	Programme				
3.1	Delivery against agreed project development programme (Stages 1 and 2 of the New Project Approval Process)	All hubco projects: TRT failure at 110% and SPF failure at 125% - Not applicable during the reporting period	●	●	
		Single hubco projects: TRT failure if a single project exceeds 125%		●	
3.2	Delivery against agreed project development programme on any single hubco project (Stage 1 of the New Project Approval Process)	- Programme for delivery must be <125%			●
3.3	Delivery against agreed project development programme on any single hubco project (Stage 2 of the New Project Approval process)	- CIT failure where programme exceeds 125%			●
3.4	Delivery from Stage 2 submission to Financial Close	- CIT failure occurs when programme delivery exceeds 125% - Not applicable during the reporting period			●
3.5	Delivery against agreed construction phase programme identified in the Project Agreement (across all projects)	- SPF when the cumulative total exceeds 108% - Live Construction Projects cumulative total is 101% - Sites closed due to COVID 19. EoT's expected to be granted.	●		
3.6	Delivery against agreed construction phase programme for any single hubco project identified in the territory delivery plan	- Failure occurs when any single hub construction phase programme exceeds 102.5% for CIT and 107.5% for TRT. - Sites closed due to COVID 19. EoT's expected to be granted.		●	●
4	Value for Money				
4.1	Compliance with Value for Money (VfM) proposals	- TRT failure if >90% VfM items have not been carried out. - Not applicable during the reporting period		●	
4.2	Stage 1 predicted costs do not exceed NPR affordability	- CIT failure if Stage 1 affordability is in excess of NPR agreed affordability.			●
4.3	Stage 2 predicted costs do not exceed Stage 1 maximum predicted costs	- CIT failure if Stage 2 affordability is in excess of Stage 1 maximum predicted costs - Fife EY			●
4.4	Stage 2 approvals	- Failure occurs if 100% of Stage 2 Rev 1 submissions is not achieved.		●	
5	Quality				
5.1	Design quality	- TRT failure where >10% or CIT >5% of projects do not achieve AEDET or other design review. - Not applicable during the reporting period		●	●
5.2	Construction quality	Defects: Failure if any defects are recorded at handover - Not applicable during the reporting period		●	
		Snagging: failure if snags are not closed within the contract period - Not applicable during the reporting period		●	
5.3	Post Occupancy Lessons Learned	- Post occupancy surveys to be carried out on 100% of projects		●	
6	Partnering & Collaboration				
6.1	TPB and Participant Satisfaction	- Minimum scores must be met: CIT 85%, TRT no scores <5, SPF average minimum of 70% - Not applicable during reporting period	●	●	●
7	Community Benefit - Engagement				
7.1	Compliance with community engagement proposals included in Ongoing Partnering Services Method Statement	- Failure occurs when <90% are non-compliant. - Not applicable during reporting period		●	

KPI	Description	Hub Performance	SPF	TRT	CIT
7.2	Implementation of Community Engagement Plan	- Community engagement plan must be in place by Stage 1 submission date - Not applicable during reporting period			●
7.3	Considerate Constructor Score	- Average CCS score must not be less than 35 or 40 for a TRT/CIT pass - Average CCS across all hub projects is 44		●	●
8	Community Benefit - Jobs & Training				
8.1	Provision of employment and skills training outcomes across all hubco projects	- CIT failure occurs when >110% or SPF >100% of target are not met across all hub projects - Hub projects not achieving the targets are a long way from Practical Completion	●		●
8.2	Provision of employment and skills training outcomes across individual hubco projects	- Failure occurs if >115% CIT or >100% SPF is not met on individual hub projects - Hub projects not achieving the targets are a long way from Practical Completion	●		●
8.3	Proportion of total new project work delivered by local residents	- CIT requires 55% of hub project workforce to be locally employed - Target not met due to a project average of 37% being locally employed			●
9	Community Benefits - Local Business Improvement				
9.1	Percentage of Work Packages with at least one Territory based SME/TSO on tender list	- Percentage of tender work packages offered to territory based SME must be 85% TRT and 95% CIT - Average of current projects is 85%		●	●
9.2	Proportion of project work delivered by SMEs	Local SMEs: CIT target is 60% of construction value awarded to local SMEs. - 55% of construction value has been awarded by current construction projects National SMEs: CIT target is 25% of construction value awarded to national SMEs. - 29% of construction value has been awarded by current construction projects			●
9.3	Number of work and/or service packages delivered by Supported Businesses, Third Sector Organisations or Social Enterprises	- 1 work or service package per hub project should be awarded to supported businesses, TSO or social enterprise - Not applicable during reporting period			●
10	Sustainability				
10.1	Sustainability BREEAM target	- Failure occurs when <95% for TRT or <97% for CIT projects do not meet or exceed BREEAM target - Not applicable		●	●
10.2	Environmental Awareness	- 100% of project specific targets to be delivered		●	
10.3	EPC Rating	- Any project failing to meet its NPR EPC target will result in a failure		●	
11	New Project Delivery				
11.1	Overall performance of New Project Delivery	- SPF failure occurs in 5 TRT failures occur over a 3 year rolling period or if 3 TRT failures occur over 1 performance year	●		

Hub East Central Scotland (hubco) has achieved 33 key project milestones in the last year. These are broken down as follows:

8 NPR Assessments

18 Stage Submissions

4 Financial Closes

3 Construction Completions

3.5 and 3.6 – Delivery against agreed construction phase programmes has been challenging due to Covid related issues, impacting on labour and material shortages.

4.2 – Stage 1 predicted costs have been difficult to maintain at original NPR value due to scope of project changing and market volatility issues.

5.2 – Construction Quality in the reporting period suggests there are no significant issues with our T1 supply chain in completing and addressing snagging and defects beyond PC. Customer feedback highlights frustrations on certain projects, which need to be tackled robustly with our T1 contractors.

8.1 – Provision of employment and skills training across all projects being monitored as two projects are currently behind target, however projects have significant time on site remaining to improve the position.

8.2 – Provision of employment and skills training on individual projects being monitored as two projects are currently behind target, however projects have significant time on site remaining to improve the position.

8.3 – Proportion of total new project work delivered by local resident's remains challenging.

9.1 – Percentage of Tender packages offered to territory-based SME's is 88%, CIT target is 95%.

●	Target achieved
●	Target achieved but failing CIT
●	Target predominantly achieved
SPF	Significant performance failure
TRT	Track record test
CIT	Continuous improvement target

