

The Vale of Glamorgan Council

Cabinet Meeting: 7 January 2019

Joint Report of the Leader & Cabinet Member for Learning and Culture

21st Century Schools Programme - Band B Update and Current Position

Purpose of the Report

1. To seek Cabinet approval to amend the proposed Band B phase of the 21st Century Schools Programme following recently announced changes affecting Welsh Government's intervention rate for funding.

Recommendation

1. That Cabinet approve the amended Band B school investment programme, subject to the approval of the final Capital Programme 2019/20 by Full Council.

Reason for the Recommendation

1. To deliver an enhanced 21st Century Schools Programme following confirmation of increased funding from Welsh Government.

Background

2. The 21st Century Schools and Education Programme is a unique collaboration between the Welsh Government and Local Authorities. It is a major long term strategic capital investment programme with the aim of creating a generation of 21st Century Schools in Wales.
3. In July 2017, the Council submitted its Strategic Outline Programme (SOP) to Welsh Government, identifying the priorities included within the Band B programme.
4. On 10 November 2017, the Cabinet Secretary for Education confirmed that the Council's proposals met Welsh Government's investment objectives and, subject to approval of the individual business cases, Welsh Government's commitment to supporting all of the projects presented. This was confirmed in writing on 6 December 2017.
5. On 22 January 2018, Cabinet approved the proposed Band B phase of the 21st Century Schools Programme (minute C199). Funding for the projects was based on

an anticipated Welsh Government intervention rate of 50% funding for non-faith school schemes and 85% funding for Voluntary Aided faith school schemes. 8 of the Council's schemes were based on 50% Welsh Government Funding and 2 schemes were based on 85% funding. The total funding for Band B was £142.417m with £83.823m being funding by Welsh Government and £58.594m being funding by the Council.

6. On 8 August 2018, Welsh Government approved the Outline Business Case for the 'Transforming English and Welsh Medium Education in Barry' project. This project included:
 - a new school building for Whitmore High School;
 - a new Centre for Behavioural Excellence;
 - a full refurbishment of Pencoedtre High School; and
 - an expansion and refurbishment of Ysgol Gymraeg Bro Morgannwg.
7. On 5 November 2018, Welsh Government confirmed the Council's overall programme envelope had been increased to allow the St Nicholas CIW Primary School scheme be changed from a refurbishment to a new build. This brought the Council's overall funding envelope to £143.904m with Welsh Government funding of £84.567m and Council funding of £59.337m.
8. The funding profile for the schemes within the Band B programme is outlined below.

	Total Cost	Local Authority	LA %	Welsh Government	WG %
	£000	£000		£000	
Mixed Sex Secondary School	48,840.00	24,420.00	50%	24,420.00	50%
Welsh Medium Secondary	21,423.50	10,711.75	50%	10,711.75	50%
Barry Waterfront	7,417.00	3,708.50	50%	3,708.50	50%
Primary Provision in the Western Vale	4,185.00	2,092.50	50%	2,092.50	50%
Cowbridge Primary	9,847.00	4,923.50	50%	4,923.50	50%
St David's Primary School	4,185.00	627.75	15%	3,557.25	85%
St Nicholas	4,185.00	2,092.50	50%	2,092.50	50%
Faith School	31,857.00	4,778.55	15%	27,078.45	85%
Penarth Primary	9,239.00	4,619.50	50%	4,619.50	50%
Review Nursery Provision	2,725.50	1,362.75	50%	1,362.75	50%
Total	143,904.00	59,337.30	41%	84,566.70	59%

Relevant Issues and Options

9. On 21 November 2018, Welsh Government and the WLGA issued a joint statement announcing a change to the Welsh Government intervention rate for the 21st Century Schools Programme. Welsh government funding for non-faith school schemes would increase from 50% to 65%. A new intervention rate was introduced for facilities for those pupils with additional learning needs (ALN) and those in pupil referral units (PRU) at 75% Welsh Government funding.

10. The Council issued an email to Welsh Government for further clarification on the changes. The responses were as follows:

The intervention rates were confirmed at:

- 65/35 (Mainstream)
- 75/25 (ALN and PRU provision)
- Faith schemes remain at 85/15
- Mutual Investment Model (MIM) schemes remain at 75/25 for non-faith schools and 85/15 for faith schools

All existing projects in SOP will receive the new intervention rate, however there is no additional funding. Welsh Government has confirmed, however, the ability to mix and match intervention rates between projects, as long as they all fall within the existing envelope. The Council is able to request an increase to the funding envelope although approval would be subject to Welsh Government's availability of capital funding.

11. The impact of the above change is outlined below. It has been necessary to split the original 'Mixed Sex Secondary School' scheme into three separate schemes.

	Total Cost	Local Authority	LA %	Welsh Government	WG %
	£000	£000		£000	
Whitmore High School	28,938.00	10,128.30	35%	18,809.70	65%
Pencoedtre High School	16,623.00	5,818.05	35%	10,804.95	65%
Centre for Learning & Wellbeing	3,279.00	819.75	25%	2,459.25	75%
Welsh Medium Secondary	21,423.50	7,498.23	35%	13,925.28	65%
Barry Waterfront	7,417.00	2,595.95	35%	4,821.05	65%
Primary Provision in the Western Vale	4,185.00	1,464.75	35%	2,720.25	65%
Cowbridge Primary	9,847.00	3,446.45	35%	6,400.55	65%
St David's Primary School	4,185.00	627.75	15%	3,557.25	85%
St Nicholas	4,185.00	1,464.75	35%	2,720.25	65%
Faith School	31,857.00	4,778.55	15%	27,078.45	85%
Penarth Primary	9,239.00	3,233.65	35%	6,005.35	65%
Review Nursery Provision	2,725.50	953.93	35%	1,771.58	65%
Total	143,904.00	42,830.10	30%	101,073.90	70%

12. As a result of the intervention rate change, Welsh Government funding will increase from £84.567m to £101.074m whilst the Council's funding will reduce from £59.337m to £42.830m. This will release £16.507m within the Band B capital programme.
13. It is proposed that £5.120m of the £16.507m is reallocated within the 21st Century Schools Programme to deliver a more robust 21st Century Schools Programme and the programme is updated to take into account priorities and cost pressures around ALN provision. A report to the Learning and Culture Scrutiny Committee on 11th

December 2018 (Initial Revenue Budget Proposals 2019/20 and Revised Budget 2018/19) highlighted the demographic increases to ALN and mainstream and associated cost pressures, which this proposal can help alleviate.

14. The proposed reallocation within the Band B programme seeks to deliver the following:

New build for Pencoedtre High School

15. A refurbishment is currently planned for Pencoedtre High School, whilst a new build is being planned for Whitmore High School. The two new co-educational schools opened in September 2018, replacing the previous single sex Bryn Hafren and Barry Comprehensive schools. Two new builds would have been the preferred option however this was not possible due to insufficient capital funding. As Whitmore High School's building was in a poorer state of repair the new build was allocated to Whitmore High School and a refurbishment was allocated to Pencoedtre High School. It is proposed that the plan to refurbish be replaced with a new school build, equal to the investment in Whitmore High School.
16. Amending the programme to include a new build for Pencoedtre High School would have the following benefits:
 - Equality across the two English-medium community schools serving Barry.
 - Reduced ongoing revenue costs for Pencoedtre High School.
 - Reduced reliance on the Council's capital asset renewal programme.
 - BREEAM excellent achieved at Pencoedtre High School.
 - Less disruption to teaching and learning during the build process as the full refurbishment would be in a live school environment. The new build would be completed separate to the existing school building.
 - 21st Century Learning environments throughout Pencoedtre High School.
 - All areas of the new building would be compliant with Building Bulletin.
 - Improved facilities available for community use.

Additional investment and relocation for a new Centre of Learning & Wellbeing

17. The Centre for Behavioural Excellence was originally included as part of the Whitmore High School scheme and would be built adjacent to the new school. The Centre for Behavioural Excellence was intended to replace the Pupil Referral Unit based at Amelia Trust Farm.
18. Discussions have been ongoing regarding this provision and of the need to ensure that it is able to provide a therapeutic approach. The Whitmore High School site is no longer deemed suitable for this form of therapeutic provision due to the limited outside space. A number of options are currently being explored and the name has been changed to the Centre for Learning & Wellbeing.
19. It is proposed that additional funding is also allocated to the Centre for Learning & Wellbeing scheme to ensure sufficient funding is available to meet the proposed provision.
20. The Council would conduct a programme of engagement with all stakeholders regarding the development of this provision, should this investment be agreed.

Expansion of ALN places for Ysgol y Deri

21. As stated above, a demographic increase in pupils with complex autistic spectrum disorders has led to an increase in pupils requiring a placement at Ysgol y Deri.
22. Ysgol y Deri was designed for approximately 205 pupils on opening in 2014. The number of children requiring a place at the school has grown year on year and has now reached 262. Adaptations have been made to increase classroom space at the school, however despite this projections indicate that by 2020 there would be approximately 300 pupils requiring a place and the school would not have sufficient capacity to meet this demand unless additional capital investment is made to increase capacity. It is proposed that funding is allocated for the expansion of ALN places for Ysgol y Deri to ensure sufficient places are available to meet the demand.

Primary/Secondary Additional Capacity

23. Funding has been allocated to accommodate the anticipated demographic increases in demand for pupil places in the primary/secondary sector in the coming years.
24. The nature and scale of this provision will be dependent on the design stage for the specialist provision for the expansion of Ysgol Y Deri and the establishment of the Centre for Learning & Wellbeing, and will developed in anticipation of the latter half of the Council's Band B programme, subject to both Member's and Welsh Government's approval following a robust business case.

Revised programme

25. The amended funding profile to reflect the proposed changes is outlined below.

	Total Cost	Local Authority	LA %	Welsh Government	WG %
	£000	£000		£000	
Whitmore High School	30,500.00	10,675.00	35%	19,825.00	65%
Pencoedtre High School	30,500.00	10,675.00	35%	19,825.00	65%
Centre for Learning & Wellbeing	4,400.00	1,100.00	25%	3,300.00	75%
Ysgol Gymraeg Bro Morgannwg	21,423.50	7,498.23	35%	13,925.28	65%
Barry Waterfront	7,417.00	2,595.95	35%	4,821.05	65%
Primary Provision in the Western Vale	4,185.00	1,464.75	35%	2,720.25	65%
Primary provision in Cowbridge	9,847.00	3,446.45	35%	6,400.55	65%
St Davids Primary School	4,185.00	627.75	15%	3,557.25	85%
St Nicholas Primary School	4,185.00	1,464.75	35%	2,720.25	65%
Ysgol Y Deri	11,000.00	2,750.00	25%	8,250.00	75%
Primary provision in Penarth	9,239.00	3,233.65	35%	6,005.35	65%
Review Nursery Provision	2,725.50	953.93	35%	1,771.58	65%
Primary/Secondary capacity	4,185.00	1,464.75	35%	2,720.25	65%
Total	143,792.00	47,950.20	33%	95,841.80	67%
3 to 16 Faith School	31,857	MIM or Band C Capital			

26. The overall funding for Band B of the 21st Century Schools Programme would be £143,792m, however, the Council's contribution would reduce by £11.387m.
27. A new 3 - 16 Faith School has been included within the Council's Band B programme. This scheme has been submitted as a MIM scheme, requiring no capital funding.
28. Following the approval of the revised programme, the Council would submit a formal request to Welsh Government to increase the funding envelope to include the 3 - 16 faith school as a capital scheme. This would ensure the project is able to be completed within the Band B programme should MIM not be progressed.
29. If the request is not accepted, the 3 - 16 faith school could still be delivered as a MIM scheme, or be included as a capital scheme as part of Band C. If this scheme was slipped to Band C all of the feasibility work and statutory consultation would be carried out in advance to enable the scheme to be delivered as soon as the funding was available. This was the case with the Barry Transformation schemes.

Resource Implications (Financial and Employment)

30. The proposed amendments to the scheme would not result in an increase in the overall funds allocated within the capital programme. It will result in the requirement for £ 11.387m less capital to be allocated. However, the capital programme would need to be re-profiled to take into account the changes.
31. There is no financial implication to the Council in terminating the PSC contract. The Council will only pay for design works which have been completed up to the point of termination.

Sustainability and Climate Change Implications

32. New build elements of the scheme will meet BREEAM excellent rating, reducing the running costs and carbon emissions arising from the building. They will receive an Energy Performance Certificate (EPC) of A.
33. The proposed amendments to the programme would result in additional buildings achieving BREEAM excellent rating.

Legal Implications (to Include Human Rights Implications)

34. On 15 October 2018, Cabinet approved the appointment of ISG Construction Ltd to undertake the proposed refurbishment at Pencoedtre High School (minute C456). A Professional Services Contract was executed for the pre-construction design and procurement services.
35. Having taken legal advice in order to deliver a new school at Pencoedtre High School, it will be necessary to terminate the Professional Services Contract (PSC) with ISG as the scope and value of the contract will alter significantly. The project would be retendered using the SEWSCAP framework under Lot 6.
36. Powers for Councils to develop school organisation proposals derive from the School Standards and Organisation (Wales) Act 2013 which was enacted on 1 October 2013 and are guided by the School Organisation Code (2018) Statutory Document Number: 011/2018.

Crime and Disorder Implications

37. There are no direct crime and disorder implications as a result of this report.

Equal Opportunities Implications (to include Welsh Language issues)

38. Individual proposals would be subject to Equality Impact Assessment in advance of public consultation.
39. The programme would increase the opportunities for learning through the medium of Welsh and ensure accessibility of education through the medium of Welsh.
40. All new buildings would be fully DDA compliant and accessible.
41. The Council must comply with the public sector equality duty (section 149) of the Equality Act 2010.

Corporate/Service Objectives

42. This report helps supports Council objectives, set out below by delivering the projects within Band B of the 21st Century schools programme.
43. The Council's Wellbeing Outcome 3: An Aspirational and Culturally Vibrant Vale, Corporate Objective 5 'Raising overall standards of achievement'

Policy Framework and Budget

44. This is a matter for Executive decision by the Cabinet subject to the approval of the final Capital Programme 2019/20 by Full Council.

Consultation (including Ward Member Consultation)

45. Consultation with all interested parties with regard to the individual proposals will be carried out in accordance with legislation, following the statutory processes set out in the School Standards and Organisation (Wales) Act 2013.

Relevant Scrutiny Committee

46. Learning and Culture & Corporate Performance and Resources

Background Papers

47. On 22 January 2018, Cabinet approved the proposed Band B phase of the 21st Century Schools Programme (minute C199).

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