

Report to the Learning, Skills and Economy Scrutiny Committee

Monday 25th June 2018

Subject: Cabinet Report: 21st C Schools Programme – Welshpool Primary Project and Ysgol Calon Cymru June 18th 2018

For Discussion

Lead officer: Marianne Evans (Senior Manager, Schools Transformation)

Introduction

1. On June 18th 2018, Cabinet considered a report with the following recommendation:

‘This report requests Cabinet approval to:

- *increase the funding allocation for the Welshpool Primary Schools Project to £16,794,385, an increase of £3,816,591 to be split between Band A and Band B of the 21st C Schools Programme*
 - *to utilise any unallocated funding in Band A to support capital investment in Ysgol Calon Cymru.’*
2. Cabinet approved the increase, subject to further scrutiny by the Learning, Skills and Economy Scrutiny Committee. Cabinet will be reconsidering the recommendation along with comments from the Scrutiny Committee at its next meeting in July.

Background

3. The 21st C Schools Programme is a jointly funded initiative between the Welsh Government, local authorities and further education institutions and is the largest capital investment programme in schools and college estate across Wales since the 1960s.
4. The authority’s Programme is split into two bands of funding: Band A, which runs from 2014 to 2019 and Band B, which runs from 2019 to 2024/5. The authority’s Band A programme supports just under £80m of investment in a number of school projects, mostly new builds replacing buildings in poor condition, or remodellings. Band B is a £113m investment programme. 50% of the funding is provided by the Welsh Government, with the authority providing the other 50%.
5. The 21st C Schools Programme is overseen by the Learning and Skills Programme Board, which is chaired by the Director of Education, and includes portfolio holders for education, property and finance.

6. Operational Programme Management takes place at the Schools Transformation Capital Project Board, chaired by the Senior Manager Schools Transformation, with members including finance, HOWPS, property, as well as project managers for each scheme. Cross-service project teams meet regularly on individual schemes.
7. The delivery of each scheme is commissioned to Heart of Wales Property Services, and a tendering exercise takes place for contractors (usually on a design and build basis) through the appropriate procurement frameworks.
8. Welsh Government is a part-funder of the Programme. In order to successfully gain Welsh Government funding, each project is subject to a rigorous business case approval process, based on HM Treasury's Five Case Business Model. Projects over £5m are required to submit 3 different business cases – a Strategic Outline Case (SOC), an Outline Business Case (OBC) and a Full Business Case (FBC). These are thoroughly scrutinised by an internal panel of officers and by the Welsh Government's Capital Panel.
9. A SOC, OBC and FBC have been approved by the Welsh Government for the Welshpool Schools Project.
10. Delivering this transformation of primary education in Welshpool is key to meeting the expectations of Powys County Council and the Welsh Government to deliver Powys's 21C Schools Programme.

The **Strategic Case** makes the case for change predicated on:

- The poor quality of school buildings
 - Excess surplus places with currently 434 available places between the four schools, 82 (19%) of which are unfilled
 - A challenging educational model likely to affect social cohesion and pupil performance with three infant schools feeding into one junior school
 - A lack of growth in the number of pupils accessing Welsh-medium education in Welshpool compounded by dual stream infant and junior provision of Welsh-medium education
 - Poor provision of faith based education
11. The business actions required are therefore to improve the quality of the schools' infrastructure; consolidate the educational estate, reducing the number of surplus places whilst retaining sufficient flexibility to expand if required and improving access to Welsh-medium and faith based education.
 12. Successfully delivering these business needs will deliver significant key benefits including:
 - **Improved learning outcomes** through provision of a flexible learning environment creating primary schools with a seamless transition from the

- Foundation phase to key stage 2 and providing a curriculum appropriate to Foundation Phase and Key Stage 2 from two single sites
- **Cost reduction** through reduced governance/management costs; staffing costs; backlog maintenance and premises running costs and pupil transportation costs
 - **Sustainable primary education** in the area and services/facilities that enhance community engagement, meeting best practice and regulatory standards for learning environments
 - **Improved opportunities for Welsh medium pupils** and raised awareness of the Welsh language and culture

Project Request

13. Following revised project estimates this is a request for an increase in the funding allocation for the Welshpool Primary Schools Project to £16,794,385, an increase of £3,816,591 to be split between Band A and Band B of the 21st C Schools Programme. The request does not increase the cost or size of the programme. It is wrong to refer to an overspend as there has been no overspend and revisions to initial estimates are normal within the business planning approach.
14. Welshpool Church in Wales School will be funded within Band A, as per original plan. The funding for Ysgol Gymraeg y Trallwng will be sourced from currently unallocated Band B funding. This frees up unallocated funding which we are requesting to be utilised at Ysgol Calon Cymru.
15. The Strategic Outline Programme for Band B was approved by Cabinet in November 2017 and subsequently by the Welsh Government in December 2017, and funding will be released subject to the successful approval of business cases. Band B includes the following:
 - Ysgol Bro Hyddgen
 - Newtown development (Primary, Secondary and Special)
 - Remodelling of schools (schools to be confirmed)
 - Welsh-medium Primary provision Mid Powys
 - Brecon town area review
16. The Ysgol Gymraeg y Trallwng project will be included in Band B. This does not mean that the Band B funding envelope needs to increase because the school will be funded from the 'remodelling of schools' priority, which is as yet unallocated. The impact of this will be that the funding available for 'remodelling of schools' reduces.
17. Ysgol Calon Cymru would have been one of the schools considered for funding as part of the 'remodelling of schools' priority in Band B, based on its condition assessment (see page 7) but it can now be fast-tracked, due to the splitting of the Welshpool project will releases unallocated funding in Band A.

18. A response to the questions raised, and other issues, can be found on pages 4 – 8.

Questions

Q1. One local member was under the impression that Cadw would foot the bill for the additional capital required to refurbish the former Maesydre School or that the increased costs for the Welsh medium school would be footed solely by Welsh Government.

Response

- This has never been communicated and is an incorrect assumption
- Council officers have approached Cadw to evaluate which grants are available and will continue discussions with Cadw
- Terms and conditions of 21st Century schools grants state that the funding will always be 50/50 split between LA and WG, unless the school is Voluntary Aided

Q2 Would descaling the Welsh-medium project be an option to reduce costs?

Response

- The bulk of the additional costs are for the refurbishment costs following Cadw's listing of the old Maesydre building. The new design for Ysgol Gymraeg y Trallwng has not been an easy process, having to balance the requirement of working within listed building regulations, finding solutions to sympathetically restore the old Maesydre building whilst also trying to provide 21st C teaching and learning spaces and all with value for money as a key requirement within the programme. The old building will include the administrative, early years and community areas, with 5 classrooms and hall to be contained within a new school extension adjoining the older building.
- Descaling Ysgol Gymraeg y Trallwng is not an option. There are currently 80 pupils at Ysgol Gymraeg y Trallwng, and the authority has a clear commitment in its Welsh in Education Strategic Plan to support and facilitate the growth of Welsh-medium education, in accordance with the national initiative to create a million Welsh speakers by 2050. Reducing the capacity of the school would be seen as a cap on growth in the Welshpool area, which is contrary to County Council and national strategies.
- Due to the Cadw listing, Ysgol Gymraeg y Trallwng is already in a situation where it is not on an equal basis with Welshpool CiW Primary School, as the latter will have a brand new building, and Ysgol Gymraeg y Trallwng will be partly in an old listed building, albeit restored. Equitability between both schools has always been a fundamental principle of the Welshpool schools development, and any further descaling would only add to inequity.

Q3. What are the other options considered apart from increasing the costs?

- When the Cadw listing was first mentioned, the authority immediately commissioned Corporate Property to look for other viable sites in and around Welshpool for Ysgol Gymraeg y Trallwng, both within Council ownership and private, in order to be able to develop a new school building without refurbishment costs of a listed building. However, no viable sites were found.
- **Reducing the size of both schools to be affordable within the original budget** – this was not considered a viable option due to the projected increase in pupil numbers in the area;
- The potential of **co-locating both schools** on the same site at Salop Rd was considered, however the site was very constrained, with access and traffic issues, as well as the need to share facilities, which could create operational difficulties.

Q4. Were the developers (Dawnus) given a free hand to develop the Welsh-medium school costs?

Response

- The redesign of the Ysgol Gymraeg y Trallwng has been managed very tightly between the authority and Heart of Wales Property Services. Dawnus have been fully aware of the need to work within the budget.
- The costs have been rigorously scrutinised. HOWPS QS, in his expert opinion, is content that what is being presented is reasonable given the circumstances.

Q5. No breakdown of additional costs is provided within the cabinet report

- A verbal response will be given

Q6. Why were the issues not identified earlier in the process? Why were we not aware that the Salop Road site was previously used as a dumping ground to enable the construction of the Welshpool bypass?

Response

- The listing of the Maesydre building has been identified as a cost and project risk at the Schools Transformation Operational Project Board meetings of January, February, March, and subsequently at the Schools Transformation Capital Projects Board in April, and escalated to the Learning and Skills Programme Board meetings.
- The actual confirmation of the listing did not happen until mid March 2018 although the authority was notified that Cadw were considering a request to list the building in December 2017. The final costs were received by the authority on 1st June and brought to Cabinet's attention on the 22nd June.

- The issue of the additional costs due to topsoil issues at Salop Road were not identified until recently.
- To complete site investigation works, big trenches need to be dug up on several areas of the development site. To ensure that sound samples are taken, the digs have to take place on the building corners/ pinch points, as designed within the plans. If site investigation works had started earlier in the process, the entire site would be out of use for some time, and the fields are heavily used by Welshpool High School and local, junior football teams.
- HOWPS are evaluating the issue of site investigations to ensure that issues are known and dealt with at the earliest opportunity.

Other issues raised

- **Ysgol Calon Cymru – why has Ysgol Calon Cymru been prioritised for capital investment in Band B?**

The authority assesses information relating to the condition, suitability and sustainability of school buildings on a regular basis, as part of its School Investment Prioritisation. Llandrindod High School (soon to become part of Ysgol Calon Cymru) has the following assessment:

<i>School</i>	<i>Condition</i>	<i>Suitability</i>	<i>Sustainability</i>	<i>DDA</i>
<i>Llandrindod High School</i>	<i>C/D</i>	<i>B</i>	<i>C</i>	<i>C</i>

- The Llandrindod High School site is the highest ranked school in terms of level of need.
- Investment in the Llandrindod site will focus on remodelling the Technology and Design block, which has seen significant deterioration, to create a new Technology, Expressive and Creative Arts Hub. This will be a productive environment in which students can develop the skills they will require in the workplace and teachers are facilitators of their learning. The focus of the Hub will be on students experiencing the environment they will enter as modern day workers and developing their higher order thinking skills, effective communication skills, collaboration skills, making them adept with using technology and all other skills that they will need in the 21st century workplace.
- This will create a 21st Century teaching and learning environment that inspires and motivates staff and students alike and supports Ysgol Calon

Cymru's vision to deliver outstanding and innovative technology, expressive and creative arts provision.

- Other schools requiring investment will be considered for Band B funding, subject to sufficient funding being available in Band B, or will be considered as part of the Council's Major Improvement Scheme.