

Appendix C

Strategic Outline Programme for Capital Funding

March 2020

1. Introduction

This Strategic Outline Programme (SOP) provides an overview of the capital investment required to support the delivery of the new Strategy for Transforming Education in Powys. At this stage, the financial information provided is a high-level estimate – further detail will be provided in individual business cases.

This Strategic Outline Programme is in addition to the approved Band A and Band B Programmes.

2. New Programme Envelope

The funding is based on the current Band B intervention rates of 65% of funding provided by Welsh Government, and 35% provided by the local authority – it must be recognised that this may change in future..

Total of funding envelope	£350,000,000
Welsh Government contribution	£227,500,000
LA/ FEI contribution	£122,500,000

3. Summary of changes

What has changed since the latest version of your SOP/ Estates Strategy?

In the summer of 2019, Powys Education Services were inspected by Estyn. Estyn's findings report outlined significant concerns regarding the Council's progress on school reorganisation and included a recommendation to '*Ensure that the organisation of provision for non-maintained post-16, Welsh-medium education and secondary education meets the needs of the children and young people of Powys.*'

Subsequently, the Council recognised the need to review education provision in the county, commencing a Strategic Review in October 2019. The Review included two phases:

- Phase 1 - Developing the Case for Change (October 2019 – January 2020)
- Phase 2 - Developing a Vision for Transforming Education in Powys (January – March 2020)

This work has informed the development of a new Strategy for Transforming Education in Powys. The Strategy includes:

- a new vision for education in Powys
- outlines the challenges faced by the education sector in Powys
- a final set of guiding principles
- strategic aims and objectives
- programme of activity
- legislative process
- monitoring arrangements.

To deliver the new Strategy, there is a requirement for a major capital investment programme that will ensure that schools in Powys have inspiring, environmentally sustainable buildings that can provide opportunities for wider community activity. This will also include developing a reliable, high quality digital infrastructure.

The Council's aspiration is to develop, within the 13 secondary school localities, an infrastructure of all-age (sometimes known as all-through) schools. Initially, these may be multi-sited all-age schools, however, the ultimate aim is to develop new purpose-built schools that will not only provide state of the art facilities for teaching and learning, but also childcare and early years provision, community and leisure facilities, multi-agency areas that can provide support for learners and their families and SEN/ALN facilities of the highest quality.

4. Strategic Case

How does your Programme link to local and national strategies e.g. the Wellbeing of Future Generations (Wales) Act 2015, Welsh medium and childcare strategies?

Powys County Council's (PCC) Corporate Improvement Plan - Vision 2025 -underpins the authority's aims and objectives and sets out the way in which the Council intends to develop and improve its services.

The Council's guiding principles are based on the well-being of future generations. The **Well-being of Future Generations (Wales) Act 2015** is about improving the social, economic, environmental and cultural well-being of the nation. It will ensure the council thinks more about the long-term, works better with people and communities and each other, looks to prevent problems and takes a more joined-up approach. This will help create a Powys and a Wales that everyone wants to live in, now and in the future

Powys is a large, rural authority. Covering a quarter of the landmass of Wales, it contains only 4.2% of the population, making it the most sparsely populated county in Wales.

Delivering services across such a large, sparsely populated area is challenging and expensive. This is particularly true for education.

Whilst there has been some school reorganisation activity over recent years, this has mainly focussed on rationalisation of primary provision and establishment of alternative governance arrangements in the secondary sector, through the establishment of all-through or multi-sited provision. Over the last ten years, the authority has carried out catchment or area reviews in Ystradgynlais, Gwernyfed, John Beddoes, Machynlleth, Llanidloes and Welshpool towns. In most areas, this led to a reduction in the number of schools with significant capital investment in improving the schools' estate. However, reorganisation on a similar scale has not taken place across the remainder of Powys. The county's schools' infrastructure remains similar to that in place 20 years ago, for secondary it is largely unchanged for the last 45 years.

In the autumn term 2019, the Council engaged with key stakeholders to identify the challenges facing education in Powys. These are outlined below.

- Lack of equity for Learner Entitlement
- High proportion of small schools
- Decreasing pupil numbers
- High number of surplus places
- Building condition
- Financial pressures
- Inequality in access to Welsh-medium education
- Limited post-14 and post-16 offer
- Historical lack of political decision making

To address these issues, the Council has developed a new Strategy for Transforming Education in Powys 2020-2030.

The new vision for education in Powys is:

'All children and young people in Powys will experience a high-quality, inspiring education to help develop the knowledge, skills and attributes that will enable them to become healthy, personally fulfilled, economically productive, socially responsible and globally engaged citizens of 21st century Wales'.

Strategic Fit

National policy drivers	Relevance to this Programme
21 Century Schools Programme	<ul style="list-style-type: none"> • Good quality school buildings in place of the current poor quality school buildings • Better resources which will enable the successful implementation of strategies for school improvement and lead to better educational outcomes • Reduction in recurrent costs, energy, consumption and carbon emissions • Resources for the whole community which can offer a range of facilities, such as childcare and adult training • Better quality ICT provision and technology, which will drive improvements in educational standards
Successful Futures Independent Review of Curriculum and Assessment Requirements in Wales	<p>Professor Donaldson's independent report published in 2015 recommended appropriate fit for purpose learning environments that will facilitate the delivery of the curriculum and ensure children develop as:</p> <ul style="list-style-type: none"> • Ambitious capable learners • Enterprising, creative contributors ready to play full part in life and work • Ethical and informed Welsh citizens • Healthy and confident individuals/value members of society <p>Meeting the aspirations outlined of 'Successful Futures' and 'Qualified for Life' is a key purpose of the authority's Band B Programme, ensuring that educational provision will align with the four core purposes of 'Successful Futures'.</p>
Welsh Language	<p>The Programme has integral links with the Welsh Government's aspiration to create a million Welsh speakers by 2050, with the authority's WESP focusing on creating new Welsh medium provision, therefore facilitating demand.</p>
Building a Brighter Future - Early Years and Childcare Plan	<p>The provision of childcare will be a key consideration in any projects taken forward which include primary aged provision. The Programme will support the roll out of the government's commitment to fund 30 hours of early years education & care over the next 4 years in any submission we make that includes Primary Provision, to ensure sufficient places are available to meet the expected demand.</p>
The Well-being Future Generations (Wales) Act 2015	<p>The council's guiding principles are based on the well-being of future generations. The Well-being of Future Generations (Wales) Act 2015 is about improving the social, economic, environmental and cultural well-being of the nation. It will ensure the council thinks more about the long-term, works better with people and communities and each other, looks to prevent problems and takes a more joined-up approach. This will help create a Powys and a Wales that everyone wants to live in, now and in the future.'</p> <p>Projects proposed for Band B are aligned with the seven well-being goals outlined in the Well-being of Future Generations (Wales) Act 2015.</p>
Wales Infrastructure	<p>The projects proposed for Band B are aligned with the Wales Infrastructure Investment Plan as implementation of the projects will stimulate jobs and local economies in Powys.</p>

Investment Plan	
ALN Reform	<p>The Programme is aligned with the Additional Learning Needs Transformation Programme – aiming to:</p> <ul style="list-style-type: none"> • ensure that all learners with ALN are supported to overcome barriers to learning and can achieve their full potential • improve the planning and delivery of support for learners from 0 to 25 with ALN, placing learners’ needs, views, wishes and feelings at the heart of the process • focus on the importance of identifying needs early and putting in place timely and effective interventions which are monitored and adapted to ensure they deliver the desired outcomes.
Climbing Higher	<p>The Programme will meet the objectives of the Welsh Government’s Climbing Higher Next Steps strategy by ensuring that sports facilities are an integral part of every project, providing opportunities for pupils and wider communities to participate in sports and recreation activities, increasing the level of physical activity which in turn will lead to greater wellbeing.</p>
<p>Highlight any differences to your strategic case since the latest version of your SOP/ Estates strategy was produced.</p> <p>Please provide details of benefits and risks of your Programme.</p>	

The Council has developed a new Strategy for Transforming Education in Powys. The Strategy includes the following four **Strategic Aims**:

- | | |
|-----------------|--|
| Strategic Aim 1 | We will improve learner entitlement and experience |
| Strategic Aim 2 | We will improve learner entitlement and experience for post-16 learners |
| Strategic Aim 3 | We will improve access to Welsh-medium provision across all key stages |
| Strategic Aim 4 | We will improve the provision for learners with SEN/ALN |

The new Strategy will be fully aligned with the Council's new ten year Welsh in Education Strategic Plan which will be brought to Cabinet for consideration in September 2020.

Benefits

The benefits of the programme are aligned with the Guiding Principles outlined within the new Strategy: of the School Organisation Policy (2015) and are as follows:

- A world class rural education system that has learner entitlement at its core
- Schools that are fully inclusive, with a culture of deep collaboration in order to improve learner outcomes and experience
- A broad choice and high quality of provision for 14 – 19 year old learners, that includes both academic and vocational provision, meeting the needs of all learners, communities and the Powys economy
- Welsh-medium provision that is accessible and provides a full curriculum in Welsh from Meithrin to age 19 and beyond
- Provision for learners with Special Educational Needs (SEN)/Additional Learning Needs (ALN) that is accessible as near to home as is practicably possible, with the appropriate specialist teaching, support and facilities that enables every learner to meet their potential
- A digitally-rich schools sector that enables all learners and staff to enhance their teaching and learning experience
- Community-focused schools that are the central point for multi-agency services to support children, young people, families and the community
- Early years provision that is designed to meet the needs of all children, mindful of their particular circumstances, language requirements or any special or additional learning needs
- Financially and environmentally sustainable schools
- The highest priority is given to staff wellbeing and professional development

Risks

- The authority is unable to fund and implement its plans
- Reduction in capital funding available
- Changes or delays in projects affects the availability of funding
- Changes to local and/or national political leadership
- Lack of officer capacity to deliver projects

- Lack of public support
- Projects do not deliver appropriate budget savings
- Construction suppliers have insufficient capacity and time
- Inability to meet the quality aspirations and requirements of PCC

5. Economic Case

Highlight any differences to the Economic Case since the latest version of your SOP/ Estates strategy was produced.

To be completed subject to approval of the new Strategy for Transforming Education in Powys 2020 – 2030

Do Minimum –

Continue with Band B as previously agreed

Intermediate –

Seek additional capital funding to invest in reconfigured provision

Do Maximum –

Seek additional capital funding to invest in reconfigured provision, including community, leisure, early years and multi-agency facilities

Further detail will be developed following approval of the new Strategy for Transforming Education in Powys 2020 - 2030

6. Commercial Case

Highlight any differences to the Commercial Case since the latest version of your SOP/ Estates strategy was produced.

Please include details of what delivery models you are considering e.g. batching or single delivery.

1000 words maximum

From July 2015 Powys has been a named employer within Sewscap 2, the South and Mid Wales Collaborative Construction Framework for schools and other public buildings. Following representation from Powys, this second iteration of the leading construction framework was written to include Lots in appropriate value bands for Mid Wales, as it was considered that using this approach would offer the economic development benefits of the previous Powys & Ceredigion Framework via a heightened framework profile.

The Sewscap frameworks offer a swift route to market which is compliant with EU Procurement Directives and the Wales Procurement Policy Statement. They also provide opportunities for early contractor involvement and focus on long term relationships.

The Framework ensures competition throughout the whole process with project specific competition. A mini-competition for each project between the framework contractors awarded to the appropriate Lot, will test price and quality. With quality questions focusing on the contractor's ability to deliver specific project and add value. The frameworks allow for a combination of investments, each in any location, to be packaged and let as one "project/contract", thus increasing benefits from the economies of scale. Where NEC target price contracts are the chosen form of contract the successful contractor at mini-competition is required to tender 75% of the value of the work packages before agreeing the target price with the client. Best value is further achieved through the life of the project, through shared pain/gain incentives, to deliver the project under the target cost with profit payments linked to outcomes measured against a suite of time, cost and quality KPIS. The Client cost manager will challenge and verify the target cost. The Framework allows the client to "walk-away" if the target price cannot be agreed, incentivising the contractor to construct a competitive target price.

Each project is different and may require a different procurement approach. The frameworks allow for the use of other industry contracts, for example JCT D&B form and is flexible to allow a project to be let as construct only or D&B with design teams appointed by the contractor or client. This flexibility will allow the Council to match the delivery model to their specific funding and project requirements and also innovate, for example, by progressing the development and use of MMC and offsite fabrication

7. Financial case

Highlight any differences to the Financial Case since the latest version of your SOP/ Estates strategy was produced.

Please give details of the match funding arrangements for your Programme and confirm whether or not it is affordable.

1000 words maximum

The cost of the programme has been estimated and are based on assumed build rates per square meter, utilising Building Bulletin 98 and 99. Allowances have been included for fees, abnormals, externals and optimisim bias. No allowance has been made for inflation at this stage.

The Council's contribution will be funded from a combination of borrowing and capital receipts from sale of assets.

The authority would like to explore the option of the Mutual Investment Model, however to be prudent the funding is based on the Capital Investment Model.

8. Management Case

Highlight any differences to the Management Case since the latest version of your SOP/ Estates strategy was produced.

1000 words maximum

Programme Governance

The Council's Transformation Delivery Board is responsible for monitoring the outcomes of this Strategy. This will be reported quarterly as part of V2025 Transformation Programme Performance reporting.

The Council's Schools Transformation Programme Board is responsible for the delivery and monitoring of progress against agreed the Strategic Aims and Objectives and delivery plan.

Contract Management

In July 2017 Powys County Council and Kier entered a joint venture to create a new company called Heart Of Wales Property Services (HOWPS). This company provides building consultancy services as well as housing and corporate building repairs and maintenance, with pre-existing Powys staff transferring under TUPE. The previous SOP for Band A refers to 'the Council's own in house Project Delivery team'; this service is now provided by the same staff working within HOWPS Consultancy.

A key factor in the development of the joint venture has been the recognition that the capacity of the 'in-house' team has been limited by staff recruitment difficulties, and the belief that opening the service up commercially will both provide wider recruitment opportunities as well as allowing access to wider consultancy services within the partner organisation (Kier).

The approach to contract management has been equally creative, and follows from the belief that the unique advantages of a local consultancy team derive from relatively easy site access in a large rural county, and extensive knowledge of the council's property estate. Accordingly, much of the drawing and design work had been placed with contractors' design teams under D&B contracts, allowing HOWPS Consultancy to focus on client agent and project management activities, thereby ensuring that the delivered buildings are fit for purpose.

The HOWPS Consultancy team will remain actively involved throughout the duration of the project fulfilling the intelligent client role once the project is passed over to the successful contractor, thus ensuring continuity of professional staff representing Powys CC interests during all stages of the project programme.

Risk management strategy

The Schools Transformation Programme Board will be responsible for managing and mitigating risks to the authority's overall Band B programme. In addition, any risks to the overall programme will be reported to the Transforming Learning and Skills Board.

Risks relating to individual projects within the programme will be identified, monitored and mitigated by the Project Manager. All risks identified will be reported to the Schools Transformation Project Board, which meets on a monthly basis. Risks relating to individual projects will be escalated to the Schools Transformation Programme Board, as appropriate.

The council's approach will be to ensure that risks are:

- **Identified** - includes risks being considered that could affect the achievement of the project's objectives, and then described to ensure that there is common understanding of these risks
- **Assessed** – includes ensuring that each risk can be ranked in terms of estimated likelihood, impact and immediacy, and understanding the overall level of risk associated with the project
- **Controlled** – includes identifying appropriate responses to risks, assigning risk owners, and then executing, monitoring and controlling these responses

Benefits realisation strategy

The Schools Transformation Programme Board and the Schools Service Senior Management Team will be responsible for the monitoring, review and delivery of the programme's benefits.

Gateway review arrangements

Gateway reviews will be undertaken as appropriate throughout the programme.

Please provide details of the structures in place to deliver the projects within your Programme and contact details of the core team.

500 words maximum / organogram

Senior Responsible Owner: Dr Caroline Turner
Programme Lead: Emma Palmer
Programme Senior Manager: Marianne Evans

Delivery Team:

Geraint Rees, Caroline Rees, Debbie Lewis, Sarah Astley, Betsan Ifan, Richard Williams, Angharad Morgan, Dee Davies, Diane Rees. In addition, the team is supported by staff in other service areas within the council, including Finance, HR, Communications, Corporate Property, Leisure Services, as well as Heart of Wales Property Services (HoWPS).

The Council recognises that additional resources are required to deliver the ambition outlined in the new Strategy and all costs linked to the delivery of the Strategy will be capitalised.

Please provide key milestones for the Programme

The Strategic Objectives outlined above will be taken forward in 3 waves as outlined below. Detailed programme plans will be prepared for each of these Strategic Aims

Strategic Aim	WAVE 1 2020-2022	WAVE 2 2022-2025	WAVE 3 2025 onwards
1. Learner Entitlement and Experience	<ul style="list-style-type: none"> Establish at least four new all-age schools Reconfigure and rationalise primary schools 	<ul style="list-style-type: none"> Establish at least four new all-age schools Reconfigure and rationalise primary schools 	<ul style="list-style-type: none"> Establish at least three new all-age schools Reconfigure and rationalise primary schools
2. Post-16	<ul style="list-style-type: none"> Develop significant school collaboration and digital learning opportunities Begin planning for new sixth form centres 	<ul style="list-style-type: none"> Work towards implementation of new sixth form centres 	<ul style="list-style-type: none"> Implementation of new sixth form centres
3. Welsh Medium	<ul style="list-style-type: none"> Support at least three schools to move along the language continuum Develop immersion opportunities 	<ul style="list-style-type: none"> Support at least three schools to move along the language continuum Establish at least two new Welsh-medium provision 	<ul style="list-style-type: none"> Establish at least two new Welsh-medium provision
4. SEN/ALN	<ul style="list-style-type: none"> Develop new county-wide network of specialist ALN provision, to include post-16 		