

CYNGOR SIR POWYS COUNTY COUNCIL.

CABINET EXECUTIVE

29th September 2020

**REPORT AUTHOR: County Councillor Phyl Davies
Portfolio Holder for Education and Property**

**REPORT TITLE: Revised 21st Century Schools Band B Strategic Outline
Programme (SOP)**

REPORT FOR: Decision

1. Purpose

- 1.1. To request Cabinet approval to submit a revised Strategic Outline Programme (SOP) to Welsh Government's 21st Century Schools Programme requesting an increase in the funding envelope from £113 million to £263 million, to support the Council's Strategy for Transforming Education in Powys 2020-30.
- 1.2. The report is supported by Appendix A – Revised Band B Strategic Outline Programme.

2. Background

Strategy for Transforming Education in Powys

- 2.1. On the 14th April 2020, a new Strategy for Transforming Education in Powys was approved by the Leader via a delegated decision.
- 2.2. The Strategy was developed following extensive engagement with a range of stakeholders during two separate periods between October 2019 and March 2020. The Strategy sets out a new vision education in Powys, which is as follows:

'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.'

- 2.3. The new strategy also sets out a number of guiding principles which will underpin the transformation of education in Powys. These 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*

- 2.4. The new strategy sets out a number of Strategic Aims and Objectives, to shape the Council's work to transform the Powys education system over the coming years. One of the Strategic Aims of the Strategy is to '*improve learner entitlement and experience*'. Within this aim, the Strategy sets out two Strategic Objectives, to '*Develop a network of all-age schools based around the 13 current secondary school locations*' and to '*Reconfigure and rationalise primary provision*'.
- 2.5. The strategy also includes an enabling action to implement '*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, including where possible childcare services, early years, ALN, multi-agency support and community and leisure facilities.*'
- 2.6. The Strategy has been phased into three different phases, or 'waves', for the period 2020-2030.

21st Century Schools Programme

- 2.7. The 21st Century Schools and Colleges Programme is a joint initiative between the Welsh Government, the Welsh Local Government Association, Councils and Further Education Colleges. It is a major, long term and strategic capital investment programme with the aim of creating a generation of 21st Century schools and colleges in Wales.
- 2.8. There have been two 'bands' of funding available – Band A which started in 2014 and Band B which started in 2019 – it is expected that Band B projects are completed by 2024-25. There has already been significant investment in the Powys schools' estate through this programme, with a total of £89 million in Band A and £113 million programmed for Band B. Welsh Government contribute 65% for mainstream schools in Band B, with the Council funding the remaining 35%, although Special Schools received 75% of funding from the Welsh Government.
- 2.9. All Councils are expected to submit a Strategic Outline Programme that outlines a high-level estimate of the funding required for each 'band'. Once a SOP is approved, funding for each specific project is released following the approval of a business case, aligned with the HM Treasury's 5 Case Business Model.

2.10. In 2017, the Cabinet and Welsh Government approved Powys County Council's SOP for £113 million for Band B projects. However, during the development of the new Strategy for Transforming Education, it was recognised that additional capital funding would be required to meet the aspirations of the Strategy. On the 14th April 2020, the Leader of the Council approved the new Strategy and the following recommendation:

'in order to demonstrate full commitment to the ambition outlined in the Strategy, approves the development of a ten-year outline (notional) capital investment sum of £350 million to transform the schools' estate as outlined in the revised 21st Century Schools Strategic Outline Programme'

2.11. However, since April, officers have been developing plans to deliver the aims and objectives of the new strategy, bringing the total funding required for delivery of the strategy to £563 million between 2020 and 2030: £263 million for Wave 1 (2020-20); £150 million for Wave 2 (2022 – 2025) for £150 million (2025 – 2021)

2.12. The plans currently being developed in Wave 1 (2020-22) of the strategy include:

- A revised Strategic Outline Case/Outline Business Case (SOC/OBC) with a radical re-scoping of Ysgol Bro Hyddgen's original scheme to include early years, school, leisure, library and community facilities.
- New business cases to consider options for Ysgol Calon Cymru, Llanfyllin and Brecon catchment areas, and Gwernyfed High School.

2.13. The total indicative costs of these new business cases, along with other commitments in Band B including new build projects for Ysgol Cedewain, Ysgol Brynllwarch and a nominal sum for a new primary school in Newtown, exceed the funding currently available in both Band A and Band B Programmes by approximately £150 million.

2.14. Further work has also been carried out to clarify future funding requirements to transform the whole schools' estate, and this amounts to £150 million for projects within Wave 2 of the new programme, and a further £150 million for projects within Wave 3 of the programme.

3. Advice

3.1. It is therefore advised that the Band B SOP is revised to increase the funding envelope from £113 million to £263 million to meet the funding requirements for the projects in Wave 1.

3.2. It is also advised that there is a re-allocation of funding for projects within Band A and Band B. This specifically requires the re-allocation of funding that was originally earmarked for a new Welsh medium secondary school in Newtown and the development of Welsh-medium primary provision in Mid Powys, and to re-allocate this to the increased Bro Hyddgen and Ysgol Calon Cymru schemes. This will mean that the development of secondary Welsh-medium provision, a key aim within the new Strategy, will need to take place within the current secondary school infrastructure.

- 3.3. It is advised that the SOP is then re-submitted to Welsh Government, for consideration at its 21st Century Schools' Capital Panel in October.
- 3.4. As a number of schemes are being developed with regard to integrating other community facilities such as leisure and libraries, it is important to understand the County wide strategy on community facilities and the expectation across the 13 catchments as additional leisure facilities add in a significant cost to the programme.

4. Resource Implications

- 4.1. Delivery of the Council's Education Strategy is estimated to require total investment of £563 million between 2020 and 2030. The Council's capital programme currently includes £113 million for this purpose between 2020 and 2025, leaving £450 million that still needs to be found. If we assume Welsh Government will provide 65% of the funding required (in line with the 21st Century Schools policy) the Council would need to find an additional £157.2 million over the next ten years (£52.0 million in Wave 1; £52.5 million in Wave 2 and £52.5 million in Wave 3)
- 4.2. In approving this report, Cabinet is not committing the Council to funding delivery of the ten-year strategy or even the revised SOP for Band B. The Council needs to agree a financial strategy to support delivery of the education strategy to ensure that it is both affordable and deliverable by 2030. There are different ways in which the Council could raise capital to meet the investment requirement including unsupported borrowing, capital receipts or reducing / reprofiling the existing capital programme. Consideration of these and other options needs to be undertaken in the context of the impact on the revenue budget, the long term sustainability of the Council's financial position and estate.
- 4.3. Later this autumn, officers will provide for Cabinet's consideration a sustainable financial strategy for delivery of the education strategy noting that it will have significant resource implications for the Council. If Welsh Government approves the revised SOP, the total investment requirement for Band B will need to be included in the 2021-2031 Capital Programme and any revenue consequences will need to be included in the 2021-22 Draft Budget, both of which will be presented to Council for approval in early 2021.
- 4.4. The Head of Finance (section 151 Officer) notes the content of the report and supports the recommendations. The investment required to deliver the education strategy is a significant long term financial commitment for the Council, the development of a clear and sustainable financial strategy to support it is critical. This will ensure that the Council understands the resource implications for the whole programme and considers the options and the prioritisation of resources to support it. The strategy will be developed in the context of the impact on the revenue budget, affordability and the long term sustainability of the Council's financial position.

5. Legal implications

- 5.1 Legal: The recommendation can be supported from a legal point of view.
- 5.2 The Head of Legal and Democratic Services (Monitoring Officer) has commented as follows: "I note the legal comment and have nothing to add to the report".

6. Comment from local member(s)

6.1 Not applicable.

7. Integrated Impact Assessment

7.1 An integrated impact assessment will be developed as part of any formal consultation processes, if required.

8. Recommendation

8.1 It is recommended that Cabinet:

8.1.1 approves a revised Strategic Outline Programme (SOP) for submission to the Welsh Government's 21st Century Schools' Programme, requesting an increase in the funding envelope from £113 million to £263 million to support the Council's Strategy for Transforming Education in Powys; and

8.1.2 agrees that officers will provide a draft sustainable financial strategy for the delivery of the ten-year education strategy, noting that it will have significant resource implications for the Council, which will need to be addressed in the 2021-22 budget and 2021-2031 Capital Programme.

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