

CYNGOR SIR POWYS COUNTY COUNCIL.

**CABINET EXECUTIVE
15th December 2020**

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

REPORT TITLE: Newtown Primary School (Hafren & Ladywell Green
Schools) Strategic Outline Case (SOC)

REPORT FOR: Decision

1. Purpose

1.1 This report requests Cabinet approval for the following:

a) To submit a Strategic Outline Case (SOC) to the Welsh Government's 21st Century Schools Programme for investment to develop:

- A new 270 place English-medium primary school to replace the current buildings of Hafren Junior School and Ladywell Green Infant School.

1.2 The cost of the preferred way forward is estimated to be £12,921,251 including *8% Risk and 24% Optimism Bias, which is acceptable at SOC stage, and will be mitigated as the business case process continues into the next stages. The funding is allocated for this project in the Council's Band B 21st C Schools Programme.

Welsh Government contribution 65%	£8,398,813
PCC 35%	£4,522,438
Total	£12,921,251

1.3 The report is supported by the following appendices:

Appendix A – Newtown SOC

Appendix B – Integrated Impact Assessment

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, 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 a Strategic Objectives to *'Develop a network of all-age schools based around the 13 current secondary school locations'*.

- 2.5 The strategy also includes a Strategic Aim to *'improve access to Welsh-medium provision across all key stages'*. Within this aim, the Strategy sets out Strategic Objectives to *'Move schools along the language continuum'* and to *'Develop new primary and secondary provision'*.
- 2.6 In addition, the strategy 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.'*

The Case for Change

- 2.7 This project is the first phase of a wider Schools Transformation Programme for Newtown.
- 2.8 Ladywell Green Infants School and Hafren Junior School are located in Newtown. Ladywell Green provides education for pupils aged 4-7 years whilst Hafren Junior School provides education for pupils aged 8-11 years. They are amongst the last four infant and junior schools in Powys – the Council has been moving away from this model of education for some years in order to ensure that pupils aged 4 – 11 receive a seamless primary education.
- 2.9 On the 3rd March 2020, Cabinet approved the amalgamation of the two schools to create a new primary school which will open in September 2021, and will operate from the existing sites of both schools.
- 2.10 The schools are co-located in the centre of Newtown. However, the existing school buildings are in a relatively poor state of repair. Both schools are currently under capacity and it is predicted that combined demand will remain roughly at the same levels for the foreseeable future.
- 2.11 The condition of the existing school buildings is a cause for concern. Ladywell Green has an assessment of category C/D, and Hafren is classified as category C. A disproportionate amount of time is spent managing the building defects and there is a significant and constant need for repair; for example, both school rooves are in poor condition, each needing fairly urgent replacement, and this contributes to a general sense of their being very energy inefficient buildings. All of which leads to the assets proving costly, in terms of time and finance.
- 2.12 There is also the question of suitability. Whilst both schools are classified as category B, there are still question marks about their ability to facilitate delivery of a modern curriculum. The buildings are from the 1960s/1970s and it is felt that the design is not appropriate to meet the needs of a 21st Century curriculum, and to meet the well-

being needs of pupils. This is particularly pertinent, because the area is fairly deprived and there are behavioural challenges, which can be exacerbated by the lack of space.

- 2.13 There are also safeguarding issues as a result of the way the existing buildings have been designed and constructed, for example there are no barriers in place. There seems to have been no real site masterplan in place when the schools were originally built. In addition, the access road between the two school buildings is problematic. This makes managing 'parent flow' (i.e. at school start and end times) difficult. This is an issue which would be addressed by having a single school building.
- 2.14 Culturally, the buildings also present some obstacles. Upon merger, two buildings would not readily bring a one school ethos, for example. It is also desired for a 21st Century fit for purpose building to provide scope for further engagement with the community and, one opportunity for this would be to let space which can be utilised for non-school activities and clubs, helping to generate a more cohesive bond between school and community. It also presents the likelihood of associated income to offset some of the running costs. The existing buildings do not provide the scope to do this.
- 2.15 Overall, the site is not currently living up to its potential. The buildings are not fit for purpose and it is felt that the children deserve better facilities.

North Powys Wellbeing Programme

- 2.16 The development of the new school to replace Hafren and Ladywell Green schools is an integral part of the North Powys Wellbeing Programme (NPWP). A Programme Business Case (PBC) for the North Powys Wellbeing Programme was recently approved by the Council's Cabinet and will be considered by the Welsh Government over the coming months.
- 2.17 The Programme intends to create a collaborative, multi-agency wellbeing campus (the "Campus") for the population of north Powys, delivered by the North Powys Wellbeing Programme (NPWP). The Programme, established in 2019, is a once in a generation opportunity to bring together partner organisations to enhance and transform the way services are delivered to the local community.
- 2.18 The PBC demonstrates the ambition across partner organisations to develop a new integrated model for the area, bringing partners together across education, health and social care, housing, community and third sector, with opportunities for further linkages to leisure, police and ambulance services. It will also maximise wellbeing and leisure opportunities via essential links with green spaces through Open

Newtown and collaborative working with partners in the Third Sector and local business.

- 2.19 A core aim of the programme is to provide significantly improved and enhanced local services, delivered from a single location in Newtown within sustainable and fit-for-purpose accommodation. This approach will maximise efficiency, integration and innovation across multiple sectors which will represent significant benefits for the local community, including a wider range of services being delivered in county.
- 2.20 The preferred site for the new campus is known as the 'Park' area of Newtown, which includes Hafren and Ladywell Green Schools. Following the development and approval of the PBC, each element within the Programme (education, health & social care, infrastructure) will then develop its own SOC.
- 2.21 It is envisaged that the phasing will be as follows:
- Infrastructure (which will unlock the site for subsequent projects, but specifically for the immediate requirements of the school given the timeline requirements)
 - School
 - Housing/Community Development/Library (to be confirmed)
 - Health and Social Care
- 2.21 However, it will be dependent on the production of the masterplan and ability to fund and decant.

The Strategic Outline Case (SOC)

- 2.22 The SOC has been developed in accordance with HM Treasury's Five Case Business Model. The five 'cases' are:
- Strategic Case (The Case for Change)
 - Economic Case (Options to address the issues raised in the case for change)
 - Commercial Case (Procurement routes)
 - Financial Case (high-level indicative costs)
 - Management Case (how the project will be managed)
- 2.23 A wide range of options for the project have been considered when developing the SOC. These are outlined in pages 32-38 of the SOC, which is attached as Appendix A.

The Preferred Way Forward

- 2.24 Following an appraisal of options against the identified Investment Objectives and Critical Success Factors, an Economic Appraisal of shortlisted options and a Financial evaluation, the emerging preferred option for the Newtown primary school is as follows:

Option 4: Close the current Ladywell infants and Hafren junior school buildings and build a new 270 capacity primary school on the same site

Advantages and Disadvantages of the preferred way forward

Advantages	Disadvantages
<ul style="list-style-type: none"> • Achieves school re-organisation at Ladywell Green Infant and Hafren Junior schools; • Enables the educational advantages afforded through continuity of delivery from Foundation Stage through to the end of Key Stage 2; • Larger school enables economies of scale in procurement for the school governing body; • Provides 21st Century School facilities for Ladywell Green Infant and Hafren Junior School pupils • Creates a new Primary School which enables alignment with PCC education strategy; • Delivers a new build school which extends the time horizon for the requirement for substantial future works into the long term; • Continuity of education on Junior School site; • Removes backlog maintenance of circa £2.9M; • Will enable energy efficiencies reducing the buildings carbon footprint and ongoing running costs; • Creates financial efficiencies in school staffing structure • Frees up the other elements of the site to be used by partners in the North Powys Programme. 	<ul style="list-style-type: none"> • Disruption to existing school setting during building work; • Would require temporary relocation of Infant and Junior School pupils during building work and associated costs of this; • Larger capital investment required.

3 **Advice**

- 3.1 The advice of officers is that the SOC should be submitted to Welsh Government for approval, to enable the Council to proceed with the project and progress to the next stage of the business case process. This will also enable the North Powys Wellbeing Programme to move forward.
- 3.2 The Welsh Government's intervention rate for schools within Band B of the 21st Century Schools programme is 65%, which represents good value for money for the Council. Cabinet is advised that there is a significant early stage risk contingency of 25% within the estimated project costs, which is appropriate at a SOC stage. More detailed estimated costs will be confirmed at Full Business Case stage.
- 3.4 **Indicative Timescales**

Date	Actions (commencement)
04/2022	RIBA Stages 0 -2 completed
10/2022	RIBA Stage 3 (Spatial Coordination) completed
03/2023	Complete RIBA Stage 4 (Technical Design)
04/2023	Tender documentation issued
07/2023	Construction Commences
06/2024	Construction completed
07/2024	School handover
09/2024	New Primary School opens

4. **Resource Implications**

- 4.1 Estimated costs are as follows:

Project Costs	
Capital Cost	£9,765,626
Optimism Bias	£2,103,750

Risk	£1,051,875
VAT (only to be included where non-recoverable by applicant)	N/A
Total Project Cost (inclusive of optimism bias and risk)	£12,921,251
Welsh Government Contribution (65%)	£8,398,813
PCC Contribution (35%)	£4,522,438

- 4.2 The project is included within the current 21st Century Schools Programme funding envelope.
- 4.3 The current 21st Century Schools grant conditions allow Welsh Government to claw back grant if the school has over 15% surplus capacity 5 years after occupation of the school. The capacity of these facilities is in excess of the pupil numbers, so this remains a risk to this scheme.
- 4.3 The attached SOC identifies a potential revenue saving of £73,081 per annum through the delegated funding formula. There would then be an additional estimated saving of £22,320 which is the net saving on premises and the additional cost of rates following a move to the new build. Any change to the formula funding provided will impact on the Council's revenue budget.
- 4.4 Development and implementation of the proposal would require involvement from a number of service areas, including staff from the Schools Service, Finance, Property, Highways and ICT, as well as close involvement with a range of other services and organisations, including the Powys Teaching Health Board.
- 4.5 The Head of Finance (Section 151 Officer) notes the content of the report and that the project is included within the schemes approved under Band B of the 21st Century Schools Programme.

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 Cllr David Selby: 'As a local member for an area where parents often choose this school for their children, I welcome this development. New

buildings are required for the school, and we should also welcome the potential co-location with the North Powys Wellbeing Hub.'

- 6.2 Cllr Daniel Rowlands: 'I am in favour of this paper as the two current buildings are in a poor state of repair. We want the children of Powys to experience a high quality education and a new building will go a long way to help facilitate this.'

7. Integrated Impact Assessment

- 7.1 An initial impact assessment of the preferred way forward is attached as Appendix B. The impact assessment considers the project's impact on the Welsh Government's well-being goals, as outlined in the Well-being of Future Generations Act.

The summary of the impact assessment is as follows:

'This impact assessment suggests that the impact would be positive. The development of a new building to replace the current Ladywell Green and Hafren buildings would address many issues related to the poor condition of the current buildings, ensuring that future pupils would be taught in facilities that are fit-for-purpose, improving their learner entitlement and experience. The new facilities would be fully DDA compliant, supporting learners with disabilities. The development is part of the North Powys Well-being Programme, providing further opportunities for integration between the school and other services, to have a positive impact on the health and well-being of pupils attending the school and their families.'

Should Cabinet approve continuing with the preferred option, the impact assessment will be regularly updated throughout the process to take account of any feedback received.

8. Recommendation

- 8.1 It is recommended that Cabinet approves the following:

To submit a Strategic Outline Case (SOC) to the Welsh Government's 21st Century Schools Programme for investment to develop:

- A new 270 place English-medium primary school to replace the current buildings of Hafren Junior School and Ladywell Green Infant School.

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