

EDUCATION AND YOUTH OVERVIEW & SCRUTINY COMMITTEE

Date of Meeting	Thursday 28 th June 2018
Report Subject	School Modernisation
Cabinet Member	Cabinet Member for Education and Youth
Report Author	Chief Officer (Education and Youth)
Type of Report	Operational

EXECUTIVE SUMMARY

To inform Education and Youth Overview and Scrutiny Committee of progress of the School Modernisation Programme and emerging additional Capital Grant funding streams available through Welsh Government.

RECOMMENDATIONS

1	That the Education and Youth Overview and Scrutiny Committee note the contents of the report and progress of the School Modernisation programme.
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REPORT DETAILS

1.00	BACKGROUND AND CONSIDERATIONS
1.01	<p><u>21st Century Programme (Band A)</u></p> <p>The funding envelope for Band A 21st Century school investment programme within Flintshire was fixed at £64.2m, and runs between 2013/14 to 2018/19. Projects at Holywell Learning Campus and Deeside 6th were completed on time and within Budget.</p> <p>The remaining projects in this band are at Connah's Quay High School and Penyffordd County Primary School, which will effectively bring to a close the Band A programme.</p>

1.02	<p>Connah's Quay High School – Kier Construction started on site July 2017 with the anticipated completion date December 2018. Construction works are on schedule. As part of the same contract, demolition of the former John Summers school will be undertaken. This project started onsite in April 2018 and will be completed by December 2018.</p>
1.03	<p>Penyffordd CP - Wynne Construction started on site April 2018 with anticipated completion of the new school building July 2019 (phase 1) and the remainder of external works (phase 2) in November 2019.</p>
1.04	<p><u>Brynford and Lixwm Area Review</u></p> <p>A report has been presented to Cabinet 19th June 2018. The report informed Cabinet of the responses from the statutory consultation period for the Brynford and Lixwm Area School Review. At this meeting Cabinet determined to cease the proposal for amalgamation and invited the two governing bodies to work with the Council to develop a federated model on two sites as the status quo is not an option. This means the original plan to use 21st Century Band B funding to modernise facilities is now not an option. The Council will therefore be applying to Welsh Government for funding to improve the Brynford site, which has significant suitability issues, through other newly emerging funding streams once they become available e.g. Early Years Capital Grant.</p>
1.05	<p><u>Nercwys VA</u></p> <p>The Diocesan Authority and the Governors of Nercwys VA had previously held positive discussions around the potential to form a formal federation with a suitable partner and early discussions with another school have begun. Governors had agreed to collaborate more closely with another school and to set up a joint sub-committee to foster closer collaborative working between the two schools. This collaboration is becoming increasingly well embedded at a governance, leadership and curriculum level.</p>
1.06	<p><u>21st Century Schools Programme (Band B)</u></p> <p>As previously reported, Welsh Ministers have confirmed that the Band B 21st Century Schools and Education Programme will be funded by both capital and revenue budgets.</p> <p>£500 million of capital funding is available to 22 Local Authorities (LAs) and 14 Further Education (FE) institutes for the 21st Century Schools and Education programme from 2019 to 2024. Early informal intelligence suggest that the Programme may be extended beyond 2024.</p> <p>In addition to the capital funding, there will also be a revenue budget funding model that will enable an additional investment with a maximum capital value of £500 million. This is called the Mutual Investment Model (MIM).</p>

1.07	The Council's Strategic Outline Programme (SOP) was submitted to WG at the end of July 2017 In the SOP, the Council expressed an interest in using MIM primarily to help support an ambitious Band B programme in order to maximise all sources of external funding.
1.08	<p>The intervention rates for the programme are confirmed by WG as follows:</p> <ul style="list-style-type: none"> • Capital – 50% WG / 50% LA • MIM – 75% WG / 25% LA (through revenue budgets of both organisations)
1.09	The total Band B funding envelope request by the Council as outlined in the SOP submission to WG was £85,420,000.00, including an expression of interest that one project (£25m) could be suitable for MIM. Attached at Appendix 1 is the SOP which includes a summary of the projects contained within the proposed programme.
1.10	<p>WG requested that Band B programmes are prioritised in order that they can, at a national level, ensure that the programme is affordable in year for the duration of the programme. The anticipated priority order is shown in the summary contained in Appendix 1. However, both national and local factors could influence the programme, the projects and or their sequence. Currently, the Council is waiting for confirmation from WG in respect of the Council's funding proposed funding timeline (which is indicative).</p> <p>Dependant on the agreed funding timetable nationally, the anticipated programme may need to be reviewed. In any event, a complex investment programme over a 5/6 year period will require a degree of flexibility. To this end LAs can request to amend their SOPs if Cabinet determines there is a need to make changes to the programme should there be changes in circumstance.</p> <p>Dependant the complicity of projects, there will be differing timelines from Cabinet determination to realisation. (Ranging from 2- 5 years)</p>
1.11	As per the Council's constitution, officers would require a mandate from Cabinet to proceed with area reviews for potential school organisational change and/or individual projects contained within the programme. Reports will be presented to Cabinet at key programme milestones.
1.12	Welsh Government have made available to Local Authorities the potential to draw down funding from Band B 21st Century School programme to enable the acceleration of projects prior to the commencement of the Band B funding envelope.
1.13	To this end a proposal has been submitted to Cabinet on 14 th April 2018 to take advantage the WG initiative and draw down funding for the Connah's Quay High School project (Phase 2) prior to the start of Band B.
1.14	Cabinet supported this recommendation: This will allow the Council to enter into a two stage Design & Build contract with Kier Construction. This will enable a seamless transition between construction phase 1 and 2 at the school.

	The first stage will enable the detailed design work and cost certainty to be undertaken concurrently with the current contractor/team whilst the Phase 1 construction work is on site. The 2 nd stage would be a construction project.
1.15	The proposal would allow contract efficiencies e.g. no re-tendering costs, site set up, coordination of existing services, single point design responsibility and avoidance of abortive work as a result of a stop-start scenario, notwithstanding the benefits to the school of the proposed project being that it would be completed earlier and also have the continuity of a familiar contractor team.
1.16	The proposed phase 2 project will include re-modelling to provide a new administration area and existing administration block demolition and associated new cladding; remainder of external works (car parking); sports hall & main façade upgrades, including a new roof to the Sports Hall; DDA compliance works and agreed packages of smaller refurbishment works. This will bring the school up to the required standard.
1.17	A Business Justification Case (BJC) has been completed and submitted to WG. At the time of writing we are awaiting confirmation of approval before the proposed project can officially proceed.
1.18	<p><u>WG - Infants Class Size Grant</u></p> <p><i>(Initially known as reducing Infants Class Sizes and Raising Standards Grant)</i> As reported to Education and Youth Overview & Scrutiny 23rd November 2017</p> <p>With £20m capital funding available nationally the Council has submitted a business case for £1,820,000 to fund two proposed projects, in priority order as requested by WG. They are as follows:</p> <ol style="list-style-type: none"> 1. Ysgol Glan Aber, Bagillt 2. Westwood CP, Buckley
1.19	In terms of Ysgol Glan Aber, the school already has a commitment of £997,000 through the Council's Capital Programme. However, the detailed feasibility work recently undertaken has identified a number of suitability/circumstance issues which have resulted in the proposal needing to be enlarged beyond the scope of the original scheme. The proposal to WG, for an additional £1,320,000 in capital would allow the Council to address all the issues identified through the detailed feasibility study. The proposed scheme at Westwood CP School (£500,000) would modernise and rationalise facilities at the school into one building.
1.20	The Council were expecting feedback from Welsh Government (WG) in December 2017 but this was not forthcoming. However, WG officials have recently contacted officers to confirm that the proposed scheme at Westwood CP would not be eligible for grant (which was a risk given the changes in criteria) and 2) to ask a number of further questions relating to the business case for Ysgol Glan Aber. WG are currently deliberating this business case. At the time of writing this report the Council is still awaiting

	a determination from WG.
1.21	<p>The revenue grant available to the Council through the grant has been successfully claimed for 17/18 and 18/19 with the following schools benefiting:</p> <ul style="list-style-type: none"> • Ysgol Cae'r Nant, Connah's Quay • Saltney Ferry CP • St Marys RC Flint
1.22	<p>WG originally intimated that this Infants class size revenue grant would continue until the 2020/21 financial year. However future years grant funding for 19/20 and 2021 is yet to be confirmed. Once WG confirm funding is available, Officers will prioritise spend based on WG criteria/local need. Given the amount of grant funding available (which is provided on a formula basis) it will only benefit a small number of schools as in previous years.</p>
1.23	<p><u>WG – Welsh Medium Grant</u></p> <p>In Addition to the 21st Century school investment programme WG have made £30m Welsh Medium (WM) capital grant available across Wales. This grant is funded at a 100% intervention rate through WG. The grant funding is aimed specifically at capital projects that will demonstrably contribute to meeting the Welsh Government's aim of one million Welsh speakers by 2050.</p>
1.24	<p>The key WG criterion for assessing, and if necessary, prioritising projects will be the contribution it will make to the 2050 target in terms of numbers of Welsh speakers. Within this WG will consider relevant factors such as:</p> <ul style="list-style-type: none"> • Welsh-medium schools within a 10% capacity threshold or nearing their capacity; • Significant levels of unmet demand for Welsh medium provision as demonstrated through the Welsh-medium education assessment; • Significant gaps in Welsh medium childcare as demonstrated through the Childcare Sufficiency Assessment; • Potential for growing the Welsh medium sector in the area affected.
1.25	<p>The Council have only one school within the WM sector which has unfilled places below 10% - Ysgol Glanrafon, Mold. Consequently a Business Case has been submitted to WG for capital investment in Ysgol Glanrafon through this funding stream.</p> <p>The Council have requested that the £750K earmarked for the Mold Area WM review within its original SOP is retained. The rationale is that this funding would be recycled to supplement the proposed Ysgol Croes Atti WM Project to enable continued support and potential growth for WM provision in the Shotton area – Ysgol Glannau Dyfdrwy, where numbers are steadily growing.</p>

1.26	<p>If the proposal for Ysgol Glanrafon is successful the proposed would;</p> <ul style="list-style-type: none"> • Remove the existing mobile accommodation on the school site and replace with a permanent classroom accommodation to increase the permanent capacity of the building. • Address a number of the buildings suitability issues such as small classroom sizes, provide additional specialist teaching spaces and studio in line with the requirements for a school of its size and to future proof the school for future growth. • Provide a purpose built pre-school provision onsite • Improve the existing car parking and provide a new dedicated drop off zone onsite to improve traffic management and improve safety.
1.27	<p>WG have informed Councils that they hope to complete their deliberations on this grant and inform Councils of the outcome of their business cases by the end of the summer. However, this is, of course, subject to change any change in WG circumstance.</p>
1.28	<p>WG – Early Years’ Capital Grant</p> <p>WG have informed LAs that it is their intention to make £60m in capital funding available across Wales to support Early Years projects, again at 100% intervention rate. At the time of writing the Council are awaiting confirmation of this proposed grant and WG criteria.</p>

2.00	RESOURCE IMPLICATIONS
2.01	<p>Capital and revenue implications will need regular review at key stages within the programme.</p>

3.00	CONSULTATION REQUIRED/CARRIED OUT
3.01	<p>The Programme reports to two operational boards, the Education and Youth Programme Board and Capital Asset Programme Board.</p>
3.02	<p>Some projects within the programme will require statutory proposals. These will be carried out based subject to Cabinet mandate and based on WG’s School Organisation Code Legal Framework. Determination on Statutory proposals are the responsibility of Cabinet.</p>

4.00	RISK MANAGEMENT
4.01	<p>Programme Boards are set up to oversee the implementation business plans and manage risks in close detail. High level risks will be reported to Programme Board, operational risks will be managed by the project team in accordance with agreed tolerances.</p>

5.00	APPENDICES
5.01	Appendix 1 – Anticipated Band B Programme

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	<p>None.</p> <p>Contact Officer: Damian Hughes, Senior Manager, School Planning and Provision Telephone: 01352 704135 E-mail: Damian.hughes@flintshire.gov.uk</p>

7.00	GLOSSARY OF TERMS
7.01	21st Century Schools - Is a collaboration between the Welsh Government (WG), the Welsh Local Government Association (WLGA) and local authorities. It is a major, long-term and strategic capital investment programme with the aim of creating a generation of 21st century schools in Wales.
7.02	MIM - The Mutual Investment Model is the Welsh Government's new form of Public Private Partnership.
7.03	Capital funding - Capital funding is usually linked to acquiring or improving a long-term asset such as equipment or buildings
7.04	Revenue funding - Is linked to items that will be used within a year. Examples include salaries, heating, lighting, services and small items of equipment.