

Report

Cabinet Member for Education & Skills

Part 1

Date: 18 October 2018

Item No: 2

Subject **21st Century Schools Band B Programme – Prioritisation of projects**

Purpose To seek approval from the Cabinet Member for Education & Skills for the considered procurement and prioritisation of projects within the 21st Century Schools Band B Programme. The programme will commence in April 2019 and subject to match funding approval through Welsh Government, Education is proposing to progress early into the programme and complete priority works at the earliest possible stage while remaining in line with the Council's spending forecasts.

Author 21st Century Schools Manager

Ward All

Summary This report highlights the recommended schedule for the proposed projects within the 21st Century Schools Band B Programme. Some elements of the programme may benefit from a combined procurement strategy as this is likely to maximise the benefits of a competitive procurement exercise within a buoyant commercial market.

The report highlights the considerations made by the 21st Century School Steering Group that has been formed to deliver the programme by March 2024. The Steering Group is made up of a number of officers from Education, Finance and our delivery partner, Newport Norse.

Welsh Government approved the Strategic Outline Programme for Band B in December 2017. The agreement of the funding envelope which totals £70M is recognised as an ambitious programme considering the current financial constraints of the Council. Welsh Government will match fund up to 50% of the required funding subject to gaining approval through the relevant business cases.

Proposal To approve the proposed schedule of works for the 21 Century Schools Band B Programme. Approval will allow the commencement of the feasibility works and development of specific projects within the programme.

Action by Chief Education Officer

Timetable Immediate

This report was prepared after consultation with:

- Strategic Director - People
- Chief Education Officer

- People Services Capital Programme Board
- Assistant Head of Finance
- Head of Law & Standards
- Welsh Government Officers
- Headteachers
- Chair of Governors (relevant schools)
- Commercial Director – Newport Norse

Signed

Background

The 21st Century Schools and Education Programme is Welsh Government's flagship schools infrastructure improvement programme. The aims of the programme are to:

- Reduce the number of poor condition schools and colleges;
- Ensure that we have the right size schools and colleges, in the right location that:
 - Provide enough places to deliver Welsh and English medium education; and
 - Ensure the effective and efficient use of the educational estate

Welsh Government's 21st Century Schools Programme (Band B) is due to commence in April 2019 and will close in March 2024. Following on from the Band A programme that will be complete in March 2019, all Councils were asked to submit their Strategic Outline Programme. Following the submission in July 2017, Welsh Government approved the bid in December 2017. The approval confirmed the match funding commitment in principle to a total programme value of £70m.

A Cabinet report was approved in July 2017 which confirmed the schools that were identified as a priority for inclusion within the programme. The schools had been determined by the Council's strategic aims and those of the 21st Century Schools Programme namely to reduce the number of poor condition schools and ensure that there are the right size schools in the right location. Scoping works had been undertaken of the individual proposals to ensure the cost of the overall programme will be within the intended £70m value of the programme.

The following educational criteria were the basis for developing a prioritised list of schools:

- **Sufficiency of School Places (SSP)**

The council has a statutory duty to provide a sufficient number of school places to meet demand. As highlighted in the School Organisation Strategy, an analysis of our pupil population forecasts combined with the likely anticipated demand for school places arising from new developments in the city, indicates the need for additional primary school places largely in the centre and west of the city. Further demands for secondary school places are forecast to be largely concentrated in the west of the city, and to a slightly lesser extent in the north. The proposals seek to address these pressures.

Specifically, high demand for school places is forecast from the Whiteheads and Mon Bank housing developments which the current education infrastructure in the locality will be unable to accommodate. As such, the provision of a new primary school within the development will be essential in order for the council to discharge its duty to ensure sufficiency of school places.

- **Asset Management (AM)**

A condition survey was carried out in 2010 that ranked the entire education estate according to condition and suitability of each building. The proposals seek to address those buildings graded as being the least suitable for the delivery of education and in the worst condition.

Secondly, the council's strategy is to move away from smaller schools with a move towards 3 form entry schools. The financial benefits of administering one 3 form entry school over three 1 form entry schools are clear. As such, the proposals list a number of consolidation and transformation programmes which seek to support this strategy, whilst at the same time also addressing building condition and suitability issues as identified by the 2010 survey.

- **Curriculum Offer (CO)**

The council has a statutory duty to ensure a full curriculum offer is made available to all students. Some of the schools listed in the proposals have been identified as lacking the physical resources required to

offer a full curriculum. This includes the provision of FF&E and ICT for developer led schools which are not currently being supported by their respective legal agreements.

As a result of the scoping works the following table identifies the schools considered best fit to the programme aims:

School	Criteria
<p>Secondary Schools programme:</p> <p>Ensure sufficiency of school places</p> <p>On-site improvements (eg. replacement of demountable classrooms, remodelling and rationalisation of existing teaching facilities).</p> <ul style="list-style-type: none"> • Bassaleg School • Caerleon Comprehensive • Ysgol Gyfun Gwent Is Coed 	<p>SSP</p> <p>AM</p> <p>CO</p>
<p>Primary schools - need for additional school places</p> <p>Ensure sufficiency of school places in central/south area of the city</p> <p>On-site improvements (eg. catering and external facilities)</p> <ul style="list-style-type: none"> • Proposed new primary school on the Whiteheads development (NB: 106 agreements have provided £1.089m (index linked) and the land; developer funding is significantly short of what is required to build the new school.) • Maesglas Primary • Pillgwenlly Primary • Maindee Primary 	<p>SSP</p> <p>AM</p>
<p>Primary schools - development of facilities and additional school places</p> <p>Ensure sufficiency of school places in central/south area of the city</p> <p>On-site facilities (eg. catering and external facilities)</p> <ul style="list-style-type: none"> • Glan Llyn and Llanwern Primaries (Developer (106) provided schools requiring FF&E not included in developer monies). • Rogerstone Primary • St Woolos Primary • Malpas Church in Wales 	<p>CO</p> <p>SSP</p>

Procurement

Newport Norse will procure all of the projects within the programme on behalf of the Council. The SEWSCAP Framework will be used as has been done previously within the Band A Programme.

The 21CS Programme Steering Group, that has been formed to operationally manage the programme, has considered the most beneficial procurement options for the projects within the programme. A favoured option that will be explored is to batch the three secondary school projects and potentially the new primary school on the Whiteheads development. This option will allow the securing of one main contractor that would be able to phase the projects in a timely manner. There is an understanding that each project will have certain challenges and this has been taken into account for the schedule of projects.

All other projects will be procured on an individual basis through the SEWSCAP Framework. Due to the scale of the projects it is unlikely that better value or any other benefits will be achieved through batching a number of projects under one procurement exercise.

Project Prioritisation

The order of project prioritisation table below is the recommended schedule that has been developed by the 21CS Steering Group. Consideration has been taken into account in relation to critical factors such as sufficiency of school places and expenditure levels. When considering the capital spend that will affect the amount of prudential borrowing the group has anticipated 50% match funding throughout the programme. A brief note on the considerations taken to produce the priority list has been included within the table.

It is acknowledged that all projects within the programme are a priority for the Council and there will be disappointment that some schools will not receive the project benefits until the latter stages of the programme. It would not be possible to commit to completing all of the projects during the first few years of the programme as this would have significant challenges in terms of finances, resources and contractor availability.

Officers will liaise with Welsh Government on a regular basis and if it is possible to delay Newport City Council expenditure by utilising Welsh Government funding upfront this option will be requested as it has been successfully agreed within the current programme.

School	Target delivery Date (aspirational)	Considerations
Ysgol Gyfun Gwent Is Coed	March 2021	<ul style="list-style-type: none"> • Early commencement will significantly reduce the cost of the temporary buildings required. Currently only a temporary canteen and off-site physical education facilities would be required. • Low pupil numbers will ease the construction project which is likely to require the demolition and rebuild of the existing block. • Intrusive condition reports are readily available following the Band A project. • No Statutory consultation required
Bassaleg School	September 2022	<ul style="list-style-type: none"> • Significant pressures on pupil places • Planning Permission difficulties expected • Statutory consultation required due to expansion

Caerleon Comprehensive School	October 2023	<ul style="list-style-type: none"> • Significant pressures on pupil places • Significant planning permission difficulties due to expansion when considering highways and pollution issues will delay the commencement • Statutory consultation required due to expansion
New Primary School – Whiteheads Development	August 2021	<ul style="list-style-type: none"> • Pressures on pupil places due to impact of housing development • Statutory consultation required for new build • Ensure use of S106 developer contributions prior to legal agreement deadline
Maesglas Primary	June 2021	<ul style="list-style-type: none"> • Pressure on pupil places in the area • Minor increase in pupil numbers • No statutory consultation required
Maindee Primary	July 2022	<ul style="list-style-type: none"> • Pressure on pupil places in the area • Statutory consultation required • Planning permission difficulties expected •
Rogerstone Primary	August 2023	<ul style="list-style-type: none"> • Pressure on pupil places in the area • Statutory consultation required • Planning permission difficulties expected
Pillgwenlly Primary	August 2023	<ul style="list-style-type: none"> • Pressure on pupil places in the area but eased due to the proposed Whiteheads development school and Maesglas Primary expansion • Minor increase in pupil numbers • Confined site • Possible planning permission difficulties
Malpas Church in Wales Primary	March 2024	<ul style="list-style-type: none"> • Slight increase in pupil places • Confined site with difficult access • Possible planning permission difficulties
St Woolos Primary	March 2024	<ul style="list-style-type: none"> • No increase in pupil numbers • Confined site with difficult access

Financial Forecast

As part of the Strategic Outline Programme submission an updated financial forecast has been provided from Norse which spreads the expenditure over a 6 year programme and in line with available capital resources headroom. A small percentage of expenditure has been brought forward from the financial year 2019/20 in order to be able to start work on some projects in 2018/19. All expenditure will be funded 50% by Welsh government. As mentioned previously, should the opportunity arise where Welsh Government funding could be moved forward which would potentially delay the requirement or amount of prudential borrowing for the Council, then this opportunity would provide benefit to the programme and may reduce borrowing costs.

Risks

Risk	Impact of Risk if it occurs* (H/M/L)	Probability of risk occurring (H/M/L)	What is the Council doing or what has it done to avoid the risk or reduce its effect	Who is responsible for dealing with the risk?
Band B funding is delayed	M	M	If funding is delayed, consideration will need to be given as to whether in short term the Council is able to fund all or some aspects of the programme. Alternatively, the programme will be delayed.	21CS Team Capital Accountancy Team
Inability to deliver projects within the programme due to external factors (planning/ community Issues/labour availability)	M	M	Early consultation with concerned schools and viability studies and surveys will be undertaken. Early engagement with communities and NCC planning and highways is to take place. Costs have been profiled to 2022 costs to take account of inflation	21CS Team Newport Norse

* Taking account of proposed mitigation measures

Links to Council Policies and Priorities

Wellbeing of Future Generations (Wales) Act 2015
Council Improvement Plan
Education Service Plan

Options Available and Considered

Option 1. To approve the recommended project priority schedule. Works will commence to deliver the projects in the order highlighted within this report subject to the relevant business cases receiving Welsh Government approval or other statutory approvals required such as planning permission.

Option 2. To refuse the proposal and instruct officers to reconsider the priority schedule.

Preferred Option and Why

Option 1. The priority schedule has been considered by the 21CS Steering Group and the recommended projects will run in parallel with school reorganisation proposals.

Comments of Chief Financial Officer

The 21st Century School Band B programme has been built into the capital programme and assumes a spend of £56m over the next five years and this cannot change without having an impact on the available capital resources headroom. As 50% of the project is government funding, where possible as much of the grant will be used first before borrowing to reduce any borrowing costs for the Council.

Comments of Monitoring Officer

There are no specific legal issues arising from the report. The £70m grant funding for the Band B schools has already been approved by Welsh Government and the Council's 50% match-funding has been included in the capital programme. Cabinet has also agreed to the priority schools within the programme, based on an assessment of the Council's educational duties to provide sufficient school places to meet demand and curriculum delivery and asset management duties in relation to the physical condition of existing premises. The Cabinet Member is now being asked to agree to the timetable for the delivery of the individual schemes within the agreed programme. The scoping of the proposed timetable is based on the discharge of the Council's statutory duties in relation to each scheme and also extraneous factors such as the availability and timing of s106 monies and potential delays in delivery due to planning and statutory consultation processes. In terms of the procurement process, the SEWSCAP framework is an established public sector framework for these types of construction contracts and meets the public procurement requirements of the EU Framework Directive and the Public Contracts Regulations. When carrying out the "mini-competition" between approved contractors on the Framework list, a number of the new school building projects can be batched together for economies of scale and best value purposes.

Comments of Head of People and Business Change

The 21st Century Schools Programme aims to put in place a plan for ensuring sufficiency of school placements in the future whilst also improving learning environments. This should deliver multiple wellbeing benefits and sustainable development gains e.g. in terms of reduced response maintenance costs. The report notes the need to involve pupils and other stakeholders (e.g. teaching staff) in the design and planning of works, I am fully supportive of this and look forward to further detail on this in subsequent 21CS reports.

Comments from Non-Executive Members

Councillor D Fouweather:

I welcome the additional school places that have been identified and in particular the improvements to both Bassaleg and Caerleon High schools.

I have just one concern. The council has just had approval of the WESP. This document identifies the building of a new Welsh medium primary school. The obvious location for that school would be the Whiteheads site. Could the cabinet member confirm that this site will be used for the building of a new Welsh medium primary school as I understand that a Welsh school at Llanwern has already been ruled out.

Response from Cabinet Member for Education & Skills:

You are correct that the approved WESP includes a commitment to establish a fourth Welsh-medium primary school within the city. However at the current time, the location of this school is still to be determined.

Councillor J Watkins:

I am somewhat confused re the 21st Century schools B banding is this just an outline of process as I cannot see any detail as to what will or is being prioritised?

Response from Cabinet Member for Education & Skills:

The report has been prepared simply to outline the prioritisation of individual projects within the programme. Each project will be subject to a feasibility study to determine the detailed scope of works at the appropriate time.

Local issues

Scrutiny Committees

None

Wellbeing of Future Generations (Wales) Act 2015

Report writers need to indicate how they have considered the five things public bodies need to think about to show they have applied the sustainable development principle put into place by the Act. You will need to demonstrate you have considered the following:

- Long term: the importance of balancing short- term needs with the need to safeguard the ability to also meet long – term needs ***by supporting this option the ability of the council to deliver education services over the coming decades will be improved. The life expectancy of buildings affected will be increased, and new buildings will provide long term solutions for school sites. On secondary school sites, plans will be developed which support future development and/or replacement of dilapidated accommodation***
- Prevention: How acting to prevent problems occurring or getting worse may help us meet our objectives ***The programme will improve the overall condition of the buildings concerned on school sites on a ‘worst first’ basis and will reduce the level of maintenance required.***
Integration: Consider how the proposals will impact on our wellbeing objectives, our wellbeing goals, other objectives or those of other public bodies ***the proposal supports the delivery of our wellbeing objectives, providing high quality modern learning environments for our children, helping people to feel good about living in Newport. Investment in the education estate will improve educational experiences and outcomes and safeguarding, resulting in safer, healthier and better equipped school leavers. The impact of improved outcomes will provide further benefits throughout the pupils’ education and working life.***
- Collaboration: have you considered how acting in collaboration with any other person or any other part of our organisation could help meet our wellbeing objectives ***the project will have a number of stakeholders including the school and pupils while also including Newport Norse and the contractor as key specialists who will deliver the building.***
- Involvement: The importance of involving people with an interest in achieving the wellbeing goals, and ensuring that those people reflect the diversity of the City we serve ***pupils and school staff will be fully involved throughout the scheme. The projects will be subject to a planning applications and many proposals will be subject to full public consultation which will allow for further public consultation and interaction.***

Crime and Disorder Act 1998

Section 17(1) of the Crime and Disorder Act 1998 imposes a duty on the Local Authority to exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area.

Consultation

Not applicable

Background Papers

None

Dated: 18 October 2018