

Y BWRDD GWEITHREDOL

18^{fed} RHAGFYR 2017

Y RHAGLEN MODERNEIDDIO ADDYSG Rhaglen Amlinellol Strategol (RhAS) – Diweddariad Band B

Pwrpas:

I ystyried y Rhaglen Amlinellol Strategol (RhAS) diwygiedig o'r Raglen Moderneiddio Addysg ac i gymeradwyo rhaglen flaenoriaeth diwygiedig ar gyfer buddsoddiad fel rhan o Band B o Raglen Ysgolion yr 21ain Ganrif.

Yr argymhellion / penderfyniadau allweddol sydd eu hangen:

1. Bod y Bwrdd Gweithredol yn cymeradwyo y Rhaglen Amlinellol Strategol (RhAS) diwygiedig o'r Raglen Moderneiddio Addysg sy'n cynnwys rhaglen flaenoriaeth diwygiedig ar gyfer buddsoddiad fen rhan o Band B o Raglen Ysgolion yr 21ain Ganrif.
2. Bod y Bwrdd Gweithredol yn cymeradwyo'r dewis o brosiectau Band B ar gyfer archwiliad pellach ar gyfer y Model Buddsoddi Cydfuddiannol.
3. Bod y Bwrdd Gweithredol yn cymeradwyo'r trefniadau ariannu ar gyfer cyflwyniad Band B er mwyn cadarnhau a yw'r elfennau cyfalaf a referniw yn fforddiadwy.

Rhesymau:

I sicrhau cymeradwyaeth y Bwrdd Gweithredol ar gyfer y Rhaglen Amlinellol Strategol (RhAS) diwygiedig a'r cynigion a nodwyd yn Rhaglen Brosiectau Band B.

Ymgynghorwyd â'r Pwyllgor Craffu Perthnasol: OES – 27ain o Dachwedd 2017

Penderfynodd y Pwyllgor Craffu Addysg a Phlant yn UNFRYDOL I ARGYMELL I'R BWRDD GWEITHREDOL:

- (1) Bod y Rhaglen Amlinellol Strategol (RhAS) diwygiedig o'r Rhaglen Moderneiddio Addysg sy'n cynnwys rhaglen flaenoriaeth ddiwygiedig ar gyfer buddsoddiad fel rhan o Band B o Raglen Ysgolion yr 21ain Ganrif yn cael ei gymeradwyo;
- (2) Bod y dewis o brosiectau Band B ar gyfer archwiliad pellach ar gyfer y Model Buddsoddi Cydfuddiannol yn cael eu cymeradwyo, fodd bynnag dylid nodi pryderon y pwyllgor ynghylch y Model Buddsoddi Cydfuddiannol;
- (3) Bod y trefniadau ariannu ar gyfer cyflwyniad Band B yn cael eu cymeradwyo er mwyn cadarnhau a yw'r elfennau cyfalaf a referniw yn fforddiadwy;
- (4) Bod angen pwysleisio'r pwysigrwydd o ymgynghori â'r gymuned, yr ysgol a phartïon â diddordeb cyn i brosiectau symud ymlaen.

Angen i'r Bwrdd Gweithredol wneud penderfyniad: OES - (yn ôl edrych oherwydd cyfyngiadau amseru wrth gyflwyno'r RhAS diwygiedig.)

Angen i'r Cyngor wneud penderfyniad: NA

Aelod y Bwrdd Gweithredol sy'n gyfrifol am y Portffolio:

Cyng. Glynog Davies (Addysg a Phlant)

Y Gyfarwyddiaeth:

Addysg a Phlant

Enw Gyfarwyddwr:

Gareth Morgans

Awdur yr adroddiad:

Simon Davies

Swyddi:

Cyfarwyddwr Addysg a
Gwasanaethau Plant
Rheolwr Gwasanaethau
Moderneiddio

Rhifau Ffôn / Cyfeiriadau E-bost:

01267 246522
EDGMorgans@sirgar.gov.uk
01267 246471
SiDavies@sirgar.gov.uk

EXECUTIVE SUMMARY
EXECUTIVE BOARD
18TH DECEMBER 2017

MODERNISING EDUCATION PROGRAMME (MEP)
Strategic Outline Programme (SOP) - Band B Update

1. Background

- 1.1 Preparations for the national 21st Century Schools Programme commenced in 2010 through an invitation by the Welsh Government (WG) to local authorities to submit a Strategic Outline Programme (SOP) for the modernisation of their whole schools estate, placed within four bands for investment (A-D), in order of priority according to most urgent need.
- 1.2 During 2010 a major review of the MEP was completed as part of the process of developing the County Council's submission and the Authority's Strategic Outline Programme (SOP) identified the preferred option for programme delivery to implement on a local area basis.
- 1.3 As part of that review the County Council resolved that the MEP "*be reviewed and revised in the future every two years or otherwise as required to ensure consistency with the timeframe of the national 21st Century Schools Programme*". It has been a central feature of the MEP since its inception that it needs to retain flexibility at its core to ensure that the programme remains current and responsive to changes in the education policy framework and the needs of constantly developing society and communities.
- 1.4 Since that time Executive Board had approved an updated MEP three times in 2011, 2013 and most recently on the 20th June 2016.
- 1.5 The Band A programme was initially established to commence in April 2014 and extend for 6 years to 2020 but the Welsh Government subsequently announced its intention to bring forward the target date for the completion of Band A to 2019.
- 1.6 Through the initial submission process Carmarthenshire's Band A programme was approved at a value of £86.7 million (funded 50% by grant from WG and 50% from the Council's own resources). Welsh Government requires this funding to be spent by 2019.
- 1.7 In May 2017 the WG confirmed its intention to progress with the 21st Century Schools and Education Band B Programme. Band B is anticipated to start in April 2019 and run to March 2024.

2. Programme of Projects - Band A Progress to Date

- 2.1 Carmarthenshire's Band A commenced in 2014/15 following approval of Band A projects as part of the MEP update in 2013.
- 2.2 Band A was updated again in 2016 following a reassessment in line with the approved MEP investment criteria and the practicalities of delivery.
- 2.3 Currently, 69% (11 out of 16) of projects have WG Full Business Case (FBC) approval as follows:

- Completed (4 projects) – Strade, Carreg-ddu, Bury Port & Llanelli Vocational Village

DETAILED REPORT ATTACHED?	<p align="center">YES</p> <p align="center">Appendix 1 - Draft Revised Strategic Outline Programme</p> <p align="center">Appendix 2 - Band B Proposed Schools Datasheet</p>
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IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report :

Signed: E.D.G. Morgans Director of Education and Children's Services
S. Davies Modernisation Services Manager

Policy and Crime & Disorder YES	Legal YES	Finance YES	ICT YES	Risk Management Issues YES	Organisational Development YES	Physical Assets YES
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- 1. Policy, Crime & Disorder and Equalities**
The proposals set within the report are in line with published policy and strategic direction of the authority.
- 2. Legal**
The County Council's constitution provides that responsibility for the Modernising Education Programme is an executive function.
- Statutory procedures will need to be completed to institute constitutional change in the structure of schools where the rationalisation of provision is proposed.
- Planning permission will need to be secured for the development of the infrastructure projects proposed.
- Building regulations approval will need to be secured for premises developments and modernisation.

3. Finance

The 21st Century Schools Programme has major financial implications for the County Council. The current estimate of the cost of the remaining investment to make all schools in Carmarthenshire to be retained for the long-term fit for purpose for the 21st Century is £276 million (from 2017/18). This is a planning figure and is certain to change over time as the detailed requirements of individual projects are developed. The planning figures do not include any allowance for inflation.

The delivery of the MEP to date has been made possible by the establishment of an innovative funding strategy for capital investment which has drawn upon and integrated a variety of funding sources:

- Welsh Government Grants.
- Capital Receipts – generated through the disposal of operationally redundant school assets. County Council has resolved that all receipts generated through the sale of former school premises are ring-fenced for reinvestment in the school modernisation programme.
- Prudential Borrowing – serviced by contributions from revenue generated through efficiency gains arising from the rationalisation of the schools network and through an adjustment in the delegated schools budget.
- General Capital – contributions from the Council's general capital allocation.
- S106 Agreements – contributions from developers of residential properties.

The Council has effectively exhausted its capacity to generate any further prudential borrowing from the operational schools budget as it has already done much in this area and there is now little scope for further revenue contributions.

For example, education spend is by now slightly below the Indicative Budget Assessment (IBA) and with the prognosis for revenue budgets in future years there is unlikely to be further potential in this area. Further revenue gain to be secured by the continuing rationalisation of the schools network will be required to offset the effects of expected budget reductions in future years.

The overall expenditure for the 21st Century Schools programme Band A has been agreed at £86.7m with 50% of the funding provided by WG. WG has extended the Local Government Borrowing Initiative to the programme, allowing it to bring forward additional funding for its element of the programme and bringing forward the timeframe for completion of Band A to 2019.

The level of County Council funding is formalised each year through the annual budget setting process. It is inevitable that estimate of capital need will change in the future as the detailed requirements for individual projects are progressed through the stages of development.

WG have confirmed that Band B of the 21st Century Schools and Education Programme, will be funded by both capital and revenue budgets:

- A capital funding programme will continue for Band B at the current WG grant funding level of £100-120m per annum for all LAs in Wales (£600m for the 5 year programme).
- £500m revenue funding is available via an optional Mutual Investment Model (MIM) approach for larger collaborative contractor led projects in Band B

WG have considered grant intervention rates for Band B and have recently indicated the following:

- The grant rate for capital remains at 50%.
- The grant rate for Voluntary Aided schools remains at 85%. (However, unlike the Band A arrangement, the 85% will not be subsumed within the overall 50% grant rate for a Local Authority).
- The grant rate for projects funded through the Mutual Investment Model (MIM) is 75%.

The total amount of the projects identified in Band B is currently £129.5m. The capital and revenue requirements to deliver the programme are as follows:

- WG - £52.25 Capital (2019-2024), £18.75m Revenue (MIM over 25 years)
- Carmarthenshire - £52.25m Capital (2019-2024), £6.25 Revenue (MIM over 25 years)

The Authority is required to provide details of funding arrangements for the Band B submission and confirm whether or not it is affordable for both capital and revenue elements.

There is currently £5.5m identified in the in the capital programme in 2020/21 as the Authority's contribution to Band B projects.

4. ICT

The use of ICT is of critical importance to the management and delivery of education in order to facilitate and implement the breadth of curricular choice necessary for all learners. The provision of new, adapted, or refurbished buildings will provide the opportunity for ICT to be integrated into modern infrastructure which is extremely reliable and easy to use.

The aspirations are to develop real and virtual workspaces which help to make effective, personalised learning a reality for all students; enable teachers and other professionals to focus on their core tasks and be more effective; and provide parents and carers with easy access to information about learners' achievements and progress. Also it will facilitate access to high quality learning materials in a wide range of settings through as wide a range of end-user devices as possible.

5. Risk Management Issues

Risk management will be fundamental to the effective delivery of the school modernisation programme and its individual projects.

Projects will be managed in line with recognised best practice for the construction sector, including the use of risk registers at all stages of planning and delivery.

Risks are managed by the Corporate Modernising Education and Communities Programme (MECP) Board.

6. Organisational Development

Proposals for the transformation of school structures will inevitably have significant staffing implications requiring workforce re-modelling. Specific issues cannot be forecast with accuracy at this early stage and issues will be dealt with and reported as individual projects or groups of projects develop in accordance with established human resource policies.

7. Physical Assets

Proposals for the transformation and modernisation of the schools network will have significant implications for the schools estate. This will involve the creation of new school premises and the refurbishment of some existing school premises. It will also result in some existing operational assets becoming redundant. When this situation arises assets will be managed in accordance with established policies and in the context of the Council's match funding for the programme being partly met from anticipated capital receipts from the sale of surplus assets.

Investment in new facilities will have regard to partnership working and will foster the co-location of services, including those managed by partner organisations, where practical and beneficial.

CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below

Signed: E.D.G Morgans Director of Education and Children's Services
 S. Davies Modernisation Services Manager

1. Scrutiny Committee

Education and Children's Services Scrutiny Committee was consulted on 27th November 2017 and UNANIMOUSLY RESOLVED TO RECOMMEND TO THE EXECUTIVE BOARD:

- (1) That the updated Strategic Outline Programme of the MEP including an updated prioritised programme for investment as part of Band B of the National 21st Century Schools Programme be approved;
- (2) That the Band B projects selected for further exploration under the Mutual Investment Model be approved, however, the Committee's concerns regarding MIM be noted;
- (3) That funding arrangements for the Band B submission be approved in order to confirm whether both capital and revenue elements are affordable;
- (4) That the importance be stressed of consulting with the community, school and interested parties before projects proceed.

2. Local Member(s)

Local Members will be consulted on individual school reorganisation proposals as they are taken forward.

3. Community / Town Council

Town and Community Councils have not been consulted at this stage as this is a strategic matter for the County Council.

Town and Community Councils will be consulted on individual school reorganisation proposals as they are taken forward.

4. Relevant Partners

Key partner organisations, including the Church in Wales, Roman Catholic Church and Coleg Sir Gar, are consulted on proposals that affect them.

Schools affected will be fully consulted on individual school reorganisation proposals as they are taken forward.

5. Staff Side Representatives and other Organisations

Not applicable at this stage as this is a strategic matter.

**Section 100D Local Government Act, 1972 – Access to Information
List of Background Papers used in the preparation of this report:**

Title of Document	File Ref No.	Locations that the papers are available for public inspection
Carmarthenshire 21 st Century Schools Modernising Education Programme BIENNIAL REVIEW 2016	MEP	http://democracy.carmarthenshire.gov.wales/ieListDocuments.aspx?CId=131&MId=350&Ver=4
21 st Century Schools Website		www.21stcenturyschools.org
21 st Century Schools: Information Document (May 2010)	MEP	www.wales.gsi.gov.uk
21 st Century Schools: Information Document (May 2010) - Summary	MEP	www.wales.gsi.gov.uk
21 st Century Schools Strategic Outline Programme Template	MEP	www.wales.gsi.gov.uk
Modernising Education Programme (May 2005)	MEP	Department for Education and Children Building 2, Parc Dewi, Carmarthen.