

PWYLLGOR CRAFFU ADDYSG A PHLANT

24^{ain} o IONAWR 2019

Y RHAGLEN MODERNEIDDIO ADDYSG ADRODDIAD CYNNYDD HYD AT RHAGFYR 2018

Pwrpas:

I dderbyn diweddariad y Rhaglen Moderneiddio Addysg hyd at Rhagfyr 2018.

Ystyried y materion canlynol a chyflwyno sylwadau arnynt:

Y cynnydd a gyflawnwyd hyd at Rhagfyr 2018 wrth gyflwyno y Rhaglen Moderneiddio Addysg.

Rhesymau:

Ar gyfer gwybodaeth y pwyllgor ac i gofnodi'r cynnydd a gyflawnwyd y Rhaglen Moderneiddio Addysg.

Angen cyfeirio'r mater at y Bwrdd Gweithredol / Cyngor er mwyn gwneud penderfyniad: NA

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

Cyng. Glynog Davies (Addysg a Phlant)

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EDUCATION & CHILDREN SCRUTINY COMMITTEE 24TH JANUARY 2019

MODERNISING EDUCATION PROGRAMME (MEP) PROGRESS REPORT to DECEMBER 2018

1.1 The Authority's Modernising Education Programme (MEP) is making steady progress on 21st Century Schools projects as follows:

2. Band A

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% (13 out of 16) of projects have WG Full Business Case (FBC) approval as follows:

- Completed (10 projects) – Strade, Carreg Hirfaen, Burry Port, Llanelli Vocational Village, Pen Rhos (Seaside), Trimsaran, Coedcae, Parc Y Tywyn, St John Lloyd and Pontyberem
- Approved and on site (1 project) – Llangadog
- Approved with construction due to commence (2 projects) - Dewi Sant and Gorslas

2.4 Approximately 77% (£33.3m) of the Band A grant funding (£43.35m) will be claimed and spent by the end of the 2018/19 financial year.

2.5 The following projects are at various stages of development as follows (3 projects):

- Rhys Pritchard – Business Case submitted construction to commence mid-2019.
- Rhydygors, - On hold pending conclusion of the Behaviour Support Review
- Laugharne, On hold pending conclusion of land issues

3. Band B

3.1 In October 2016, the WG requested Authorities to provide information in respect of potential projects for Band B of the national 21st Century Schools and Education Programme.

3.2 Band B is due to commence in April 2019 however significant development work has already been undertaken to accelerate a number of schemes and two projects (Pum Heol and Pembrey) have already received WG Full Business Case approval.

3.3 The attached report presents a summary of progress achieved on the delivery of Band A and Band B major investment MEP Projects to December 2018.

4. Funding

- 4.1 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.
- 4.2 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.
- 4.3 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.
 - 500m revenue funding is available via an optional Mutual Investment Model (MIM) approach for larger collaborative contractor led projects in Band B
- 4.4 WG have recently reconsidered grant intervention rates for Band B and have indicated the following:
- The grant rate for capital will increase to 65% for mainstream schools and 75% for Special Schools and Pupil Referral Units.
 - The grant rate for Voluntary Aided schools will remain at 85%.
 - The grant rate for projects funded through the Mutual Investment Model (MIM) remains at 75% at present.
- 4.5 The total amount of the projects identified in Carmarthenshire's Band B is £129.5m.

5. The Mutual Investment Model (MIM)

- 5.1 The revenue-funded Mutual Investment Model programme is intended to boost the amount of resource WG has available to support investment in new schools and colleges.
- 5.2 The MIM will be used for contracts whereby the successful contractor will design and build the new facilities and provide the finance to do so. The successful contractor will also provide maintenance and lifecycle services for the facilities in the long term. This approach of using a single contract has been used in Private Public Partnerships across the UK.
- 5.3 Should the Authority enter into a MIM project then it will be responsible for managing the contract of the MIM for the 25 year period.
- 5.4 The Welsh Government is currently in the process of procuring a private sector delivery partner (large contractor or investor). The private sector delivery partner will establish a Welsh Education Partnership; who will be responsible for offering partnering services to each participant (Local Authorities or FEIs) through a national Strategic Partnering Framework. It is recommended that every Local Authority and FE College becomes a party to the relevant Partnering Agreement regardless of whether they presently have MIM schemes proposed (as they could have schemes delivered at a later point in time).
- 5.5 The next steps for WG are to finalise procurement documentation; finalise education specific project agreement and specifications; involve participants to sign up to the process and announce a procurement timeline for partners.
- 5.6 Should local authorities not be interested in pursuing schemes through the Mutual

Investment Model approach, they can still apply through the capital funding programme.

6. School Organisation and Federation

- 6.1 The first Welsh Government School Organisation Code came into force on 1 October 2013. Following three years of operation the Welsh Government reviewed the code reflecting on feedback and learning received since that time.
- 6.2 From the 1st November 2018 the Welsh Government implemented an updated School Organisation Code. These changes alter the requirements to take forward proposals which involve changes to schools, new schools or school closures.
- 6.3 The most substantial change is the strengthening of the code in respect of a presumption against closure of rural schools. As a result, an additional stage (Stage 0) has been added Carmarthenshire's process for developing proposals for any schools (identified as rural or otherwise) that require completion according to the School Organisation Code. The Authority will need to demonstrate that it has considered all alternatives to closure including federation.
- 6.4 The Federation of Maintained Schools (Wales) Regulations 2014 were implemented in May 2014. Under the 2014 regulations governing bodies continue to be able to federate their schools if they wish. In addition, the regulations provide Local Authorities (LA) with the power to federate schools. LAs will be able to federate a school, including a proposed new school with another school or schools or federate a school(s) with an existing federation.
- 6.5 The power given to LAs to federate will provide an additional valuable tool to the MEP in the consideration of future provision for areas throughout Carmarthenshire. An exercise is currently nearing completion to consider the long term future of Carmarthenshire Schools aligned with the MEP. At the appropriate time Officers will engage with School Leaders, Governing Bodies and Local Members in the first instance to discuss future provision and governance in relation to their individual circumstances.

7. Conclusion

- 7.1 Education and Children Scrutiny Committee is asked to note the progress achieved to December 2018.

YES

DETAILED REPORT ATTACHED?

Appendix 1 - MEP Progress Report

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: S. Davies Head of Access to Education

Policy and Crime & Disorder	Legal	Finance	ICT	Risk Management Issues	Organisational Development	Physical Assets
YES	YES	YES	YES	YES	YES	YES

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 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.

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.

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:

S. Davies

Head of Access to Education

1. Scrutiny Committee

ECS Scrutiny Committee are presented with this progress report on 24th January 2019 and will be consulted on individual school reorganisation proposals as they are taken forward.

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
MODERNISING EDUCATION PROGRAMME (MEP) PROGRESS REPORT to DECEMBER 2017	MEP	http://democracy.carmarthenshire.gov.wales/documents/s18590/Summary.pdf
Carmarthenshire 21st Century Schools Modernising Education Programme BIENNIAL REVIEW 2016	MEP	http://democracy.carmarthenshire.gov.wales/ieListDocuments.aspx?CId=131&MId=350&Ver=4
21st Century Schools Website		www.21stcenturyschools.org
21st Century Schools: Information Document (May 2010)	MEP	www.wales.gsi.gov.uk
21st Century Schools: Information Document (May 2010) - Summary	MEP	www.wales.gsi.gov.uk
21st 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.