



## Beacons Learning Campus

### Powys County Council Outline Business Case (OBC)

By CPC Project Services LLP

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The OBC is submitted on a without prejudice basis to any decisions that Powys County Council's Cabinet might be under a duty to make in connection with any statutory proposals for school organisation, or decisions on other approvals that might be necessary in order for the project to proceed.

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*Senior Responsible Officer*



## Foreword

The Outline Business Case (OBC) is submitted by Powys County Council, in conjunction with NPTC Group of Colleges, and has been developed in conjunction with a composite team from the Council.

The OBC has been prepared using the agreed standards and format for business cases, as set out by HM Treasury and Welsh Assembly Government. The approved format is the Five Case Model, which comprises the following key components:

- The **Strategic Case** section. This sets out the strategic context and the case for change, together with the supporting Investment Objectives for the scheme.
- The **Economic Case** section. This demonstrates that the organisation has selected a preferred way forward, which best meets the existing and future needs of the service and is likely to optimise value for money (VFM).
- The **Commercial Case** section. This outlines what any potential deal might look like.
- The **Financial Case** section. This highlights likely funding and affordability issues and the potential balance sheet treatment of the scheme.
- The **Management Case** section. This demonstrates that the scheme is achievable and can be delivered successfully in accordance with accepted best practice.

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## 1.0 Executive Summary

### Introduction

The purpose of this Outline Business Case (OBC) is to set out the case for the development of the Beacons Campus in Brecon, South Powys. The Campus will include an 11–16 secondary school for 1000 pupils, replacing both Brecon High School and Gwernyfed High School. It will also include a Sixth Form Academy and Vocational College run by NPTC Group of Colleges (formerly Coleg Powys). The Campus will also house a re-sited Pupil Referral Unit on site and may also include an Integrated Disability Service.

Project Costs and Welsh Government Contribution	
Establish new build Lifelong Learning Campus to include a new secondary school 11 – 16, replacing Brecon HS and Gwernyfed HS & new Sixth Form/Vocational College.	£45,423m
Optimism Bias	£1,553k
VAT (only to be included where non-recoverable by applicant)	£0
<b>Total Project Cost (inclusive of optimism bias and risk)</b>	<b>£50,007</b>
<b>Total Project Cost (excluding optimism bias and risk)</b>	<b>£45,423m</b>
<b>Welsh Government Contribution (It is assumed that optimism bias will be fully mitigated, or at a maximum of 2% of project cost by FBC stage)</b>	<b>£</b>
<b>Welsh Government Contribution</b>	<b>50%</b>

The OBC is set within the context of Powys County Council's Secondary School & Post-16 Reorganisation Programme, and is considered as a flagship project that will be a trail-blazer for the rest of the county.

It was recognised by Powys County Council and NPTC Group of Colleges that there is a need to develop and improve learning opportunities for young people and the wider community in the South Powys area. The Beacons Campus will transform the education sector in South Powys, providing high-quality sustainable secondary and post-16 education for young people and the wider community. It will provide an environment that will enable seamless pathways for learners, more learning opportunities and the delivery of high quality cost effective courses.

The Campus will be the first of its kind in Powys, delivering an innovative educational model by sharing best practise and resource between the Secondary and Further Education sectors, ensuring continuity and wider opportunities for learners. It offers opportunities for consistent and progressive learning, shared enrichment and community based achievement in addition to life-long learning opportunities.

## Strategic Case

### Strategic Outline Programme

The Powys 21<sup>st</sup> Century Schools (21C) SOP was submitted to Welsh Government in December 2010. This articulated PCC's aspirations for educational modernisation and the approach to transform the whole schools' estate for future learners and wider communities to deliver a firm foundation for the future of education. It set out 4 prioritised bands of investment for the period 2012 – 2023, linked to the aims and objectives of the Welsh Government's 21C Schools Programme.

Whilst the key focus will be on the provision of new education facilities, where practicable and appropriate, consideration will be given to the co-location of other council services within the programme, which will help improve overall service delivery and improve community cohesion – a key outcome of the “One Powys” approach.

The SOP was approved by the Welsh Government in 2011. However, since submission there has been a need to review and update the SOP due to changing investment, educational and political priorities linked to budgetary, staffing and delivery constraints.

To reflect these changes, a revised 21 Century Schools SOP was submitted to Welsh Government in February 2014. Funding profiles and Business Case timetables have been submitted quarterly in accordance with Welsh Government's requirements.

The revised priorities within Band A and set out in the Powys SOP submitted to WG are as follows:

**Table 1: 2010 SOP Initiatives**

• Project	• New cost of project	• Reason for change from original SOP
<b>• Primary investment programme – Phase 1 (£40.2m)</b>		
• Ysgol Dafydd Llwyd Welsh Medium Primary (Newtown)	£8.29m	• Targeting programme on demand for WM education in Severn Valley
• Gwernyfed Primary Area Review - Clyro, Hay, Talgarth	£23.48m	• Targeting programme on the priorities in primary catchment review timetable
• Welshpool Area Review	£8.04m	• Targeting programme on the priorities in primary catchment review timetable
<b>Machynlleth Pathfinder (£17m)</b>		
• Llanidloes/Machynlleth Area Review	£0.5m	• Specific capital funding to support federations recommended by catchment review
• Machynlleth Through School	£6.73m	• Specific capital investment in construction of all through school
<b>• South Powys Secondary Improvement Programme Phase 1 (£33m) in Band B</b>		
• Brecon Learning Campus	£33m	• Targeting programme to Band D school and partnership investment opportunity

<b><i>Not included</i></b>		
• SEN Provision	• TBC	• Proposals will be developed to implement the findings of the current ALN review

As a result of the updated SOP (2011), the Brecon Campus scheme (originally South Powys Secondary Improvement Programme Phase 1) was amended to a Band A priority.

### The Strategic Context

The One Powys Plan 2014 sets the strategic direction for service delivery in Powys. It is a key strategic transformational plan, which sets out the vision of Powys County Council and key partner organisations, that helps residents to understand what the Council intends to achieve and what results they can expect to see.

'Transforming Learning and Skills' is a key priority within the plan, and the Authority's aim is to ensure that 'all children and young people are supported to achieve their potential'. The plan states that the Authority needs to 're-organise schools (primary, secondary and post-16) to ensure affordability, sustainability and appropriate leadership capacity'.

Powys County Council is committed to ensuring that all children and young people have an equal opportunity to receive the best possible education. The Council aspires to have an educational infrastructure that:

- Provides all learners with opportunities to achieve high standards of achievement and attainment;
- Provides for first class teaching and learning provision reflecting national, regional and local priorities;
- Has high quality resilient leadership and management;
- Provides robust linguistic continuity and progression;
- Improves cost-effectiveness and efficiency;
- Has the right number of schools in the right place for the current and future pupil population of Powys;
- Has school buildings and blocks that are assessed as condition A or B;
- Minimises dependency on temporary accommodation; and
- Reduces overall surplus places in schools.

The Council has a duty to ensure that school buildings, teaching resources and pupils' learning experiences are shaped to develop competencies which allow children and young people to engage confidently with the challenges of their future lives. The challenge faced by the Council is to ensure that schools provide an appropriate, fit-for-purpose learning environment that will facilitate the delivery of a curriculum, as defined in the Welsh Government document Successful Futures to ensure that children and young people develop as:

- ambitious, capable learners ready to learn throughout their lives;
- enterprising, creative contributors, ready to play a full part in life and work;
- ethical and informed citizens of Wales and the world; and healthy, confident individuals, ready to lead fulfilling live as valued members of society.

## The Case for Change

The main drivers for taking forward this proposal that seeks to establish a new 21<sup>st</sup> Century learning campus on a new site in the Brecon area are:

- The need for Secondary Schools and post 16 re-organisation in Powys.
- The breadth of curriculum offered in some Powys schools.
- Condition of Brecon High School has significant building maintenance issues – the school has been categorised as Condition D in a Welsh Government survey in 2009.
- Surplus Capacity - Brecon High School has significant levels of surplus capacity. It currently has 26% surplus places.
- Condition of Gwernyfed High School is categorised as C for both Condition and Sustainability, and as B/C for Suitability.
- Surplus Capacity – Gwernyfed High School has significant levels of surplus capacity. It currently has 19.3% surplus places.
- Quality of Education – Brecon High School has been placed in Special Measures by Estyn in 2013.
- Limited integration of service delivery between organisations.
- The College campus also has building maintenance issues.
- The ability to provide a sustainable model of Secondary and Post 16 education in the Brecon and Gwernyfed areas.
- The ability to leverage financial and educational economies of scale from a new, larger Secondary school and Post 16 Tertiary provision.
- The ability to provide more flexibility for learners between (Post 16) academic and vocational courses.
- The potential to build on the A level offering of NPTC Group of Colleges at the Brecon campus, to the benefit of Post 16 learners in the area.

## Investment Objectives

The Investment Objectives for this project are:

1. To improve the learning outcomes for pupils and learners across the ability range
2. To provide a progressive and innovative curriculum that is responsive to the needs of learners, communities and Powys and the wider economy
3. To provide post 16 education that embraces academic and vocational approaches and which optimises the Learning Skills Measure
4. To provide a stimulating teaching and learning environment in 21st Century facilities centred on the learning, self-esteem and well-being of all learners
5. To support the authority's aim of reducing surplus places in schools
6. To achieve efficiencies (economic and environmental) through economies of scale and governance arrangements

## Economic Case

### Overall Conclusion of Scoping and Service Options

**Table 2: Overall Conclusion of Scoping and Service Options**

Options	Findings
<b>1.0 Scope</b>	
i. Minimum	<b>Carried forward for comparative purposes only</b> , as per Green Book guidance. Does not meet any of the Investment Objectives and only meets 3 of the Critical Success Factors for the investment.
ii. Intermediate	<b>Discounted</b> , as does not definitively meet any of the Investment objectives and only meets 3 of the Critical Success factors for the investment
iii. Maximum	<b>Preferred</b> , as meets all of the Investment Objectives and Critical Success Factors
<b>2.0 Service solutions</b>	
i. Option 1 - Do Nothing (refurbish school, and college)	<b>Discounted, but carried forward for comparative purposes only</b> .
ii. Option 2 - Close school and redistribute pupils to other 11 – 18 schools in South Powys & Refurbish Vocational College	<b>Discounted</b> , as only definitively meets 2 of the Investment Objectives and 3 of the Critical Success Factors for the investment.
iii. Option 3 - Remodel Brecon High School 11-18	<b>Discounted</b> , as only definitively meets 3 of the Investment Objectives and 4 of the Critical Success

Options	Findings
	Factors for the investment.
<b>iv.</b> Option 4 - New build Brecon High School 11-18	While this option only definitively meets 3 of the Investment Objectives and 4 of the Critical Success Factors, it only fails against Investment Objective 6 (efficiencies). The option therefore warrants further consideration and economic appraisal. It is therefore <b>Possible</b> .
<b>v.</b> Option 5 - New build Brecon High School 11 -16	This option only definitively meets 3 of both the Investment Objectives and Critical Success factors for the investment. Therefore, the option is <b>Discounted</b> .
<b>vi.</b> Option 6 – Establish new dual-sited secondary school to replace Brecon HS and Gwernyfed HS 11 – 18	This option is <b>Discounted</b> , as it only meets 3 of the Investment Objectives and 2 of the 7 Critical Success Factors.
<b>vii.</b> Option 7 – Establish new single sited secondary school to replace Brecon HS and Gwernyfed HS 11 – 18	This option definitively meets 6/7 Investment Objectives and Critical Success Factors. There are no clear failures against these (i.e. further consideration may show that all factors are met) and therefore the option is <b>Possible</b> .
<b>viii.</b> Option 8 Establish new dual-sited secondary school to replace Brecon HS and Gwernyfed HS 11 – 16	<b>Discounted</b> , as only definitively meets 3 of the Investment Objectives and 2 of the Critical Success Factors for the investment.
<b>ix.</b> Option 9 – Establish new single-sited secondary school to replace Brecon HS and Gwernyfed 11 – 16	<b>Discounted</b> , as only definitively meets 4 of the Investment Objectives and 5 of the Critical Success Factors for the investment. The key failures of this option are the lack of strategic fit and the failure to address Post 16 education in Brecon and the surrounding area.
<b>x.</b> Option 10 – Establish new build Lifelong Learning Campus to include a new secondary school 11 – 18, replacing Brecon HS and Gwernyfed HS, & new Vocational College	This option definitively meets all Investment Objectives and 5/7 Critical Success Factors. There are no clear failures against these (i.e. further consideration may show that all factors are met) and therefore the option is <b>Possible</b> .
<b>xi.</b> Option 11 – Establish new build Lifelong Learning Campus to include a new secondary school 11 – 16, replacing Brecon HS and Gwernyfed HS & new Sixth Form/Vocational College	This option definitively meets all Investment Objectives and 6/7 Critical Success Factors. There are no clear failures and the option requires further assessment to understand whether it is affordable. Therefore the option is <b>Preferred</b> .
<b>3.0 Service delivery</b>	
<b>i.</b> In-house	<b>Preferred</b> as design, delivery partnership and project management skills have been developed over a

<b>Options</b>	<b>Findings</b>
	number of major Council investments and build programmes.
ii. Outsource	<b>Discounted</b> option without appraisal.
iii. Strategic partnership	<b>Discounted</b> option without appraisal.
<b>4.0 Implementation</b>	
i. Big bang	<b>Preferred</b> due to a lesser demand on resources and additional time allowed to secure the required land. The new school will need to be built irrespective of any partial delay from public consultation.
ii. Phased	<b>Discounted</b> due to the complex nature of the changes and the availability of land for new build sites. There will likely be a phase 2 programme of work to include Primary, but as a separate investment. The main proposal is phased with regard to operational alterations, but Big bang for capital investment.
<b>5.0 Funding</b>	
i. Private Funding	<b>Discounted</b> option without appraisal
ii. Public Funding	<b>Preferred</b> – WG to fund subject to match funding amounting to 50% of the cost of the new Brecon Campus.

## The Short List

The ‘possible’ options identified have been carried forward into the short list for further appraisal and evaluation. All the options that were discounted as impracticable have been excluded and on the basis of this analysis, the recommended short list for further appraisal within this OBC is as follows:

- Option 1** – ‘Do nothing’ –refurbish schools and college.
- Option 4** – New build Brecon High School 11-18
- Option 7** – Establish new single sited secondary school to replace Brecon HS and Gwernyfed HS 11 – 18
- Option 10** – Establish new build Lifelong Learning Campus to include a new secondary school 11 – 18, replacing Brecon HS and Gwernyfed HS, & new Vocational College

- Option 11** – Establish new build Lifelong Learning Campus to include a new secondary school 11 – 16, replacing Brecon HS and Gwernyfed HS & new Sixth Form Academy/Vocational College.

## Key Findings

The following tables summarises the key results of the economic appraisals for each option:

**Table 3: Key Results of Economic Appraisals: Option 1**

<b>Option 1 Do Nothing' - refurbish school, leisure facilities &amp; college.</b>		
	<b>Undiscounted (£'000s)</b>	<b>Net Present Value (£'000s)</b>
Refurbishment Capital Costs	-£19,303	-£18,976
Opportunities Forgone	-£6,976	-£5,873
Revenue/Current Cost	-£388,675	-£170,132
Lifecycle Costs	-£19,360	-£5,980
Project Risk	-£6,560	-£6,449
Optimism Bias	-£2,056	-£2,021
<b>Total costs</b>	<b>-£442,929</b>	<b>-£209,431</b>
<b>Less:</b> cash releasing benefits	£0	£0
Costs net cash savings	-£442,929	-£209,431
<b>Total</b>	<b>-£442,929</b>	<b>-£209,431</b>

**Table 4: Key Results of Economic Appraisals: Option 4**

<b>Option 4 New build Brecon High School 11-18</b>		
	<b>Undiscounted (£'000s)</b>	<b>Net Present Value (£'000s)</b>
New Build Capital Cost	-£11,991	-£10,462
Refurbishment Capital Cost	-£19,303	-£18,976
Opportunities Forgone	-£6,976	-£5,873
Revenue Cost	-£388,675	-£170,132
Lifecycle Costs	-£19,488	-£6,019
Project Risk	-£2,479	-£2,163
Optimism Bias	-£844	-£736
<b>Total costs</b>	<b>-£449,755</b>	<b>-£214,362</b>

<b>Less:</b> cash releasing benefits	£0	£0
Costs net cash savings	-£449,755	-£214,362
<b>Total</b>	<b>-£449,755</b>	<b>-£214,362</b>

**Table 5: Key Results of Economic Appraisals: Option 7**

<b>Option 7 Establish new single sited secondary school to replace Brecon HS and Gwernyfed HS 11 – 18</b>		
	<b>Undiscounted (£'000s)</b>	<b>Net Present Value (£'000s)</b>
New Build Capital Cost	-£20,473	-£17,863
Refurbishment Capital Cost	-£11,001	-£10,815
Opportunities Forgone	-£2,670	-£2,248
Revenue Cost	-£372,285	-£163,752
Lifecycle Costs	-£16,658	-£5,145
Project Risk	-£2,527	-£2,204
Optimism Bias	-£872	-£761
<b>Total costs</b>	<b>-£426,485</b>	<b>-£202,789</b>
<b>Less:</b> cash releasing benefits	£5,807	£2,492
Costs net cash savings	-£420,678	-£200,297
<b>Total</b>	<b>-£420,678</b>	<b>-£200,297</b>

**Table 6: Key Results of Economic Appraisals: Option 10**

<b>Option 10 Establish new build Lifelong Learning Campus to include a new secondary school 11 – 18, replacing Brecon HS and Gwernyfed HS, &amp; new Vocational College</b>		
	<b>Undiscounted (£'000s)</b>	<b>Net Present Value (£'000s)</b>
New Build Capital Cost	-£45,423	-£39,633
Opportunities Forgone	-£2,670	-£2,248
Revenue Cost	-£371,400	-£163,408
Lifecycle Costs	-£19,078	-£5,879
Project Risk	-£3,030	-£2,644
Optimism Bias	-£1,553	-£1,355
<b>Total costs</b>	<b>-£443,155</b>	<b>-£215,167</b>

<b>Less:</b> cash releasing benefits	£5,807	£2,492
Costs net cash savings	-£437,347	-£212,675
<b>Total</b>	<b>-£437,347</b>	<b>-£212,675</b>

**Table 7: Key Results of Economic Appraisals: Option 11**

<b>Option 11 Establish new build Lifelong Learning Campus to include a new secondary school 11 – 16, replacing Brecon HS and Gwernyfed HS &amp; new Sixth Form/Vocational College.</b>		
	<b>Undiscounted (£'000s)</b>	<b>Net Present Value (£'000s)</b>
New Build Capital Cost	-£45,423	-£39,633
Opportunities Forgone	-£2,670	-£2,248
Lifecycle Costs	-£19,078	-£5,892
Revenue Cost	-£364,210	-£160,609
Project Risk	-£3,030	-£2,644
Optimism Bias	-£1,553	-£1,355
<b>Total costs</b>	<b>-£435,965</b>	<b>-£212,381</b>
<b>Less:</b> cash releasing benefits	<b>£12,783</b>	<b>£8,365</b>
Costs net cash savings	-£423,182	-£204,016
<b>Total</b>	<b>-£423,182</b>	<b>-£204,016</b>

## Commercial Case

The commercial case details the procurement of the services and the contractual arrangement being considered.

### Procurement Strategy

The Council has concluded that the optimum procurement route will be to join the SEWSCAP framework, managed by Rhondda Cynon Taff CBC. While the Council has an existing framework arrangement (in partnership with Ceredigion and Gwynedd County Council's), this is due to expire before the procurement for the Brecon campus will take place and therefore the Council have taken a strategic decision to utilise the SEWSCAP Contractor Framework.

### Required Services

The development will require a full range of design and build professional expertise together with that of experienced planning and project management.

The specific details include:

- Quantity Surveying Support – to provide iterative cost plans
- Design and Architecture support – to assist the internal design team in their final choice of school design and provide services as defined by the RIBA outline plan of works
- Construction and build support – to build the new school, in line with the Council's preferred design
- Carbon neutral and BREEAM consultant support – to advise on how BREEAM Excellence and Carbon neutrality can be achieved
- Acoustic consultant support – to ensure the best acoustics possible within the campus hall(s)
- Business Assurance support – to develop and validate a business case for the new school
- European Protected Species specialist support – to ensure that Protected species are not affected by any proposed new school development
- Environment and Ground Investigation Survey support – to ensure that the land earmarked for development (short-listed options) is suitable for the development. These will include Civil and Structural Engineers; Building Services Engineers and Archaeological Surveyors.

All of these services will be procured through the existing Council frameworks – in this instance the framework used will be the SEWSCAP Framework, managed by Rhondda Cynon Taff CBC.

The new facility will provide the following:

- A new learning campus developing 11-16 education
- A new learning campus developing post 16 education

### Potential for Risk Transfer

An initial assessment of how the associated risks might be apportioned between the public sector (Powys County Council) and the private sector (nominated contractor for the associated construction works) has been undertaken. In some instances, risks are shared between the two nominated organisations and this is outlined in the table below. The general principle is to ensure that risks should be passed to 'the party best able to manage

them', subject to Value for Money (VfM). The table below outlines the potential allocation of risk.

**Table 8: Risk Transfer Matrix**

Risk Category	Potential allocation		
	Public	Private	Shared
Design risk	✓		
Construction and development risk		✓	
Transition and implementation risk			✓
Availability and performance risk		✓	
Operating risk	✓		
Variability of revenue risks	✓		
Termination risks		✓	
Technology and obsolescence risks	✓		
Control risks	✓		
Residual value risks	✓		
Financing risks	✓		
Legislative risks			✓
Other project risks			✓

### Potential Payment Mechanisms

The proposed charging mechanisms will be in line with the NEC3 Option C. This means that the Council, alongside their preferred contractor will be looking at elements of gain share from the design stage of the project, through feasibility and construction- using techniques such as value engineering to reduce costs (on a shared basis) against target cost.

## Financial Case

### Summary of Financial Appraisal

The anticipated payment stream for the project over its intended life span is set out in the table below, which shows the economic analysis for option 11.

**Table 9: Summary of financial appraisal**

£'000s	NPV	Total Cost	Years (years 7-60 same as year 7)						
			0	1	2	3	4	5	6
<b>CAPITAL COSTS</b>									
New Build Capital Cost	-£39,633	-£45,423	-£50	-£41	-£295	-£11,333	-£22,666	-£11,038	£0
Refurbishment Capital Cost	£0	£0	£0	£0	£0	£0	£0	£0	£0
<b>Capital Cost Total</b>	<b>-£39,633</b>	<b>-£45,423</b>	<b>-£50</b>	<b>-£41</b>	<b>-£295</b>	<b>-£11,333</b>	<b>-£22,666</b>	<b>-£11,038</b>	<b>£0</b>
<b>REVENUE/CURRENT COST</b>									
"Old" Revenue (FF) Cost	-£32,453	-£34,981	-£6,478	-£6,478	-£6,478	-£6,478	-£6,478	-£2,591	£0
"New" Revenue (FF) Cost	-£128,155	-£329,229	£0	£0	£0	£0	£0	-£3,618	-£6,030
Lifecycle Cost	-£5,892	-£19,078	£0	£0	£0	£0	£0	£0	£0
<b>Revenue/Current Cost Total</b>	<b>-£166,501</b>	<b>-£383,287</b>	<b>-£6,478</b>	<b>-£6,478</b>	<b>-£6,478</b>	<b>-£6,478</b>	<b>-£6,478</b>	<b>-£6,209</b>	<b>-£6,030</b>
<b>RISK RETAINED</b>									
Project Risks	-£2,644	-£3,030	-£3	-£3	-£20	-£756	-£1,512	-£736	£0
Optimism Bias	-£1,355	-£1,553	-£2	-£1	-£10	-£388	-£775	-£377	£0
<b>Risk Retained Total</b>	<b>-£3,999</b>	<b>-£4,584</b>	<b>-£5</b>	<b>-£4</b>	<b>-£30</b>	<b>-£1,144</b>	<b>-£2,287</b>	<b>-£1,114</b>	<b>£0</b>
<b>TOTAL COST</b>	<b>-£210,133</b>	<b>-£433,294</b>	<b>-£6,533</b>	<b>-£6,523</b>	<b>-£6,803</b>	<b>-£18,955</b>	<b>-£31,431</b>	<b>-£18,361</b>	<b>-£6,030</b>
<b>BENEFITS</b>									
<b>Cash releasing</b>									
Capital Receipts	£5,873	£6,976	£0	£0	£0	£0	£0	£6,976	£0
Opportunities Foregone	-£2,248	-£2,670	£0	£0	£0	£0	£0	-£2,670	£0
Removal of Surplus Places	£2,288	£5,581	£0	£0	£0	£98	£98	£98	£98
School Closure	£204	£226	£0	£0	£0	£226	£0	£0	£0
<b>Benefits Totals</b>	<b>£6,117</b>	<b>£10,113</b>	<b>£0</b>	<b>£0</b>	<b>£0</b>	<b>£324</b>	<b>£98</b>	<b>£4,403</b>	<b>£98</b>
<b>Cost Net Cash Savings</b>	<b>-£204,016</b>	<b>-£423,182</b>	<b>-£6,533</b>	<b>-£6,523</b>	<b>-£6,803</b>	<b>-£18,631</b>	<b>-£31,333</b>	<b>-£13,957</b>	<b>-£5,932</b>
<b>TOTAL</b>	<b>-£204,016</b>	<b>-£423,182</b>	<b>-£6,533</b>	<b>-£6,523</b>	<b>-£6,803</b>	<b>-£18,631</b>	<b>-£31,333</b>	<b>-£13,957</b>	<b>-£5,932</b>

### Overall Affordability

The proposed cost of the project is £46,977 (including optimism bias) over the 60 years of the expected lifespan of the campus. It is anticipated that the optimism bias will be fully mitigated (or under a 2% ceiling) by FBC stage.

### Balance Sheet Treatment

The capital expenditure incurred on the development will be added to the balance sheets of both Powys County Council and NPTC Group of Colleges, to reflect the creation of the new school/college asset. The asset will be carried in the balance sheets under the heading of

Property, Plant and Equipment will be valued on completion on a Depreciated Replacement Cost basis.

## **Management Case**

The management case describes the detailed arrangements for the day-to-day project management of the project and by setting out in more detail the actions that will be required to ensure the successful delivery of the scheme, in accordance with best practice and also describing the proposals that have been implemented to date.

### **Management Arrangements**

This Project is a strategic priority for Powys County Council and, as such will be managed using the Prince2 methodology as it will provide a framework to ensure this project will be managed effectively.

### **Programme Management Arrangements**

The scheme outlined within this OBC is an integral part of Powys County Council's 21st Century School programme. Powys is at the forefront of developing area schools through the 21st Century initiative, providing pupils and staff within Powys with the opportunity to benefit from modernised learning, Social, cultural and sporting facilities.

The Project Board is responsible to the Schools Transformation Programme Board for the overall direction and management of the project and has responsibility and authority for the project within the remit (Project Mandate) set by corporate or programme management. The Project Board is ultimately responsible for assurance that the project remains on course to deliver the desired investment objectives of the required quality to meet the 21st Century Schools agenda.

### **Project Management Arrangements**

The Programme Management Team consisting of the Project Manager and Strategic Lead Programme Management is responsible for the overall integrity and coherence of the Programme. Project Managers will be appointed for each of the Projects within the portfolio to manage the day to day running of the Project.

The membership of the project boards and all roles, responsibilities and terms of reference are included within this section of the Management Case. Under the general principles of the PRINCE2 methodology, the project board will manage the activities and outputs of the project, meet Welsh Government requirements (in order to meet funding requirements) and any specific guidance issued during the project's lifespan.

### **Benefits Realisation**

Benefits realisation will require active management. A Benefits Review Plan will be established and overseen by the Project Board – it will define how and when a measurement of the achievement of the project's benefits can be made.

## Risk Management

The Project Board has already identified the risks associated with the project and has created a critical path list of risks identified throughout the life of the project.

For risk management to be effective, risks will be:

- **IDENTIFIED** This includes risks being considered that could affect the achievement of the project's objectives, and then described to ensure that there is common understanding of these risks.
- **ASSESSED** This includes ensuring that each risk can be ranked in terms of estimated likelihood, impact and immediacy, and understanding the overall level of risk associated with the project.
- **CONTROLLED** This includes identifying appropriate responses to risks, assigning risk owners, and then executing, monitoring and controlling these responses.

## Post Project Evaluation (PERs) Arrangements

PERs appraise how well the project was managed and delivered compared with expectations and are timed to take place post project completion. A lesson learned report is at the centre of this process and will contain the following points:

- What management and quality process went well / badly / lacking;
- Summary of abnormal events causing deviation;
- Notes on performance of specialist methods and tools;
- Recommendations of future project enhancements;
- Measurements of effort;
- Summary of Effective/ineffective reviews/tests and explanations.



## Recommendation

**Signed:**

**Date:**

**Senior Responsible Owner:**

**Project Team:**

## 2.0 The Strategic Case

### 2.1 Introduction

The purpose of this Outline Business Case (OBC) is to set out the case for the development of the Beacons Campus in Brecon, South Powys. The Strategic case and the projects benefits were reviewed as part of the Benefit and Risks workshop which was held on the 30<sup>th</sup> April 2015 at the Llandrindod campus NPTCG. A further strategic review of Secondary schools in Mid and South Powys was recently completed (February 2016), which underpins this OBC and is shown at Appendix A to this document.

The proposed Campus will include an 11–16 Secondary School for up to 1000 pupils, replacing both Brecon High School and Gwernyfed High School. It will also include a Sixth Form Academy and Vocational College run by NPTC Group of Colleges (formerly Coleg Powys and Neath Port Talbot College). The Campus will also house a new Pupil Referral Unit on site.

The OBC is set within the context of Powys County Council's Secondary School & Post-16 Reorganisation Programme, and is considered as a flagship project that will be a trail-blazer for the rest of the county. The Programme has two key objectives:

- **Reconfiguration of secondary and post-16 education** to create a sustainable infrastructure of schools and sixth forms across Powys, enabling a broader range of subjects to be provided from each school site, whilst minimising the need for inter-school travel and transport.
- **Reconfiguration of Welsh-medium education** with the aim of establishing at least one Welsh-medium secondary school in the county, and the consolidation of other Welsh-medium streams into larger units. This will enable schools to provide the appropriate curriculum offer and progression routes for Welsh-medium learners.

It was recognised by Powys County Council and NPTC Group of Colleges that there is a need to develop and improve learning opportunities for young people and the wider community in the South Powys area. The Beacons Campus will transform the education sector in South Powys, providing high-quality sustainable secondary and post-16 education for young people and the wider community. It will provide an environment that will enable seamless pathways for learners, more learning opportunities and the delivery of high quality cost effective courses.

The Campus will be the first of its kind in Powys, delivering an innovative educational model by sharing best practise and resource between the Secondary and Further Education sectors, ensuring continuity and wider opportunities for learners. It offers opportunities for consistent and progressive learning, shared enrichment and community based achievement in addition to life-long learning opportunities. It is an ambitious plan and one which endeavours to address the demands of 21st century education as well as providing a modern stimulating learning environment.

The project will be taken forward in two phases:

Phase 1 – Establish a new school on two sites by September 2017 (i.e. close both Brecon High School and Gwernyfed High School to establish a new dual-sited 11 – 16 school). At this point, responsibility for post 16 education (for the new school) will fall to NPTC Group of Colleges.

Phase 2 – Transfer all pupils to the new Campus by September 2019.

### **2.1.1 Powys's 21<sup>st</sup> Century Schools Strategic Outline Programme**

The Powys 21C Schools SOP was submitted to Welsh Government in December 2010. This articulated PCC's aspirations for educational modernisation and the approach to transform the whole schools' estate for future learners and wider communities to deliver a firm foundation for the future of education. It set out 4 prioritised bands of investment for the period 2012 – 2023, linked to the aims and objectives of the Welsh Government's 21C Schools Programme.

Whilst the key focus will be on the provision of new education facilities, where practicable and appropriate, consideration will be given to the co-location of other council services within the programme, which will help improve overall service delivery and improve community cohesion – a key outcome of the “One Powys” approach.

The SOP was approved by the Welsh Government in 2011. However, since submission there has been a need to review and update the SOP due to changing investment, educational and political priorities linked to budgetary, staffing and delivery constraints.

To reflect these changes, a revised 21 Century Schools SOP was submitted to Welsh Government in February 2014. Funding profiles and Business Case timetables have been submitted quarterly in accordance with Welsh Government's requirements.

The revised priorities within Band A and set out in the Powys SOP submitted to WG are as follows:

**Table 10: 2010 SOP Initiatives**

• Project	• New cost of project	• Reason for change from original SOP
<b>• Primary investment programme – Phase 1 (£40.2m)</b>		
• Ysgol Dafydd Llwyd Welsh Medium Primary (Newtown)	£8.29m	• Targeting programme on demand for WM education in Severn Valley
• Gwernyfed Primary Area Review - Clyro, Hay, Talgarth	£23.48m	• Targeting programme on the priorities in primary catchment review timetable
• Welshpool Area Review	£8.04m	• Targeting programme on the priorities in primary catchment review timetable
<b>• Machynlleth Pathfinder (£17m)</b>		
• Llanidloes/Machynlleth Area	£0.5m	• Specific capital funding to support federations recommended by catchment

Review		review
• Machynlleth Through School	£6.73m	• Specific capital investment in construction of all through school
<b>• <i>South Powys Secondary Improvement Programme Phase 1 (£33m) in Band B</i></b>		
• Brecon Learning Campus	£33m	• Targeting programme to Band D school and partnership investment opportunity
<b>• <i>Not included</i></b>		
• SEN Provision	TBC	• Proposals will be developed to implement the findings of the current ALN review

As a result of the updated SOP (2011), the Brecon Campus scheme (originally South Powys Secondary Improvement Programme Phase 1) was amended to a Band A priority.

## 2.2 Part A: The Strategic Context

The One Powys Plan 2014 sets the strategic direction for service delivery in Powys. It is a key strategic transformational plan, which sets out the vision of Powys County Council and key partner organisations, that helps residents to understand what the Council intends to achieve and what results they can expect to see.<sup>1</sup>

'Transforming Learning and Skills' is a key priority within the plan, and the Authority's aim is to ensure that 'all children and young people are supported to achieve their potential'. The plan states that the Authority needs to 're-organise schools (primary, secondary and post-16) to ensure affordability, sustainability and appropriate leadership capacity'.

Powys County Council is committed to ensuring that all children and young people have an equal opportunity to receive the best possible education. The Council aspires to have an educational infrastructure that<sup>2</sup>:

- Provides all learners with opportunities to achieve high standards of achievement and attainment;
- Provides for first class teaching and learning provision reflecting national, regional and local priorities;
- Has high quality resilient leadership and management;
- Provides robust linguistic continuity and progression;
- Improves cost-effectiveness and efficiency;
- Has the right number of schools in the right place for the current and future pupil population of Powys;
- Has school buildings and blocks that are assessed as condition A or B;
- Minimises dependency on temporary accommodation; and
- Reduces overall surplus places in schools.

<sup>1</sup> The One Powys Plan can be accessed using the following web address:  
[http://static.powys.gov.uk/corporate\\_docs/oppeng2014/](http://static.powys.gov.uk/corporate_docs/oppeng2014/)

<sup>2</sup> School Reorganisation Policy 2015

The Council has a duty to ensure that school buildings, teaching resources and pupils' learning experiences are shaped to develop competencies which allow children and young people to engage confidently with the challenges of their future lives. The challenge faced by the Council is to ensure that schools provide an appropriate, fit-for-purpose learning environment that will facilitate the delivery of a curriculum, as defined in the Welsh Government document *Successful Futures*<sup>3</sup> to ensure that children and young people develop as:

- ambitious, capable learners ready to learn throughout their lives;
- enterprising, creative contributors, ready to play a full part in life and work;
- ethical and informed citizens of Wales and the world; and healthy, confident individuals, ready to lead fulfilling live as valued members of society.

## 2.3 Organisational Overview

### 2.3.1 Authority, Geographical Area and the Population Served

#### Powys

Powys is a large rural county occupying approximately 25% of the landmass of Wales. However, with a population of just over 133,000<sup>4</sup>, Powys contains less than 5% of the Welsh population. The sparsity of Powys is emphasised by the fact that there are only two towns with a population of more than 10,000, which are Newtown and Ystradgynlais. Brecon is the third largest settlement with a population of around 7,000. The rest of the county consists of smaller market towns and villages. Powys borders eleven Welsh counties and two English counties.

The Powys landscape is typified by upland topography, and is difficult to travel. As a result of Powys' limited public transport infrastructure, car ownership per head is significantly higher than the national average. Powys is an area of low wages, with transport and housing pressures leading to high levels of 'waged poverty'.

Similar to other Welsh authorities, the Council currently faces a serious budgetary situation for the remainder of the decade. In order to continue to be able to deliver services within the current fiscal climate, the Council has committed to change its way of working and the way services are delivered and resources are distributed to reflect the new economic reality.

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<sup>3</sup> Independent Review of Curriculum and Assessment Requirements in Wales, Professor G. Donaldson, February 2015

<sup>4</sup> Census 2011

**Figure 1: Map of Powys**



The economy predominates towards public administration, education and health which represent 33% of all employment in the county. There is growth in tourism and retail in some areas. Many communities are supported by a traditional agricultural economy. There are higher than average levels of self-employment in the county and a large number of small and microbusinesses, with over 70% of the workforce being employed in firms with 3 or less employees. Self-employment is therefore highly likely to form part of the working experience of young people in Powys.

Unemployment levels are low when compared to the rest of Wales. In March 2014 there were 1,338 people claiming unemployment benefit in Powys, which is 1.7% of the working age population, below the Wales average of 3.4%, although this masks high unemployment levels in Llandrindod Wells, Knighton and Ystradgynlais. In 2013, the percentage of year 11 leavers not in education, employment or training (NEET) in Powys was 2.7%, a 0.5% increase on the previous year, this compares to a Welsh average of 3.7%.

### 2.3.2 Population Projections

In 2013, the Welsh Government published population projections based on the 2011 census data, which show that the Powys population is projected to rise by 1.2% by 2036. However, much of this growth is expected to come from net inward migration to Powys. It is expected that around 500 more people will continue to move into Powys than will move out of Powys each year.

The projected population figures for Powys, as published by the Welsh Government in July 2013, are as follows:

**Table 11: Population Projections for Powys**

Age group	2011	2016	2021	2026	2031	2036
0 – 15	22,761	21,634	21,609	21,116	20,195	18,958
16 – 44	40,346	38,429	37,127	36,833	36,254	34,312
45 – 64	39,437	39,151	38,071	35,807	32,842	31,846
65 – 74	16,384	19,538	20,146	19,731	21,118	21,530
75+	14,143	15,843	18,941	22,996	25,644	27,987
<b>Total</b>	<b>133,071</b>	<b>134,595</b>	<b>135,894</b>	<b>136,483</b>	<b>136,053</b>	<b>134,633</b>

The number of young people in the 0 – 15 age group is projected to decrease, from 22,761 in 2011 to 18,958 in 2036, a drop of 17%. In contrast, the number of people in the 75+ age group is projected to increase significantly, from 14,143 in 2011 to 27,987 in 2036, an increase of 98%.

The number of births per year for Powys is projected to fall from 1,300 in 2011/12 to 1,000 in 2035/36, whilst the number of deaths per year is projected to rise from 1,400 in 2011/12 to 1,800 in 2035/36. It is expected that the population of Powys will peak by the year 2027, and that after this, the excess of deaths over births will outweigh the growth through migration, which will cause the population to begin declining.

### 2.3.3 Welsh Language

Overall, according to the 2011 Census, 18.6% of the population of Powys can speak Welsh. This is a drop of 3% compared with the previous Census in 2001. The percentage of Welsh speakers in the younger age groups in Powys is higher, as is shown in the following table:

**Table 12: Percentage of Powys younger age residents able to speak Welsh by age group (2011 Census)**

Age Group	Able to Speak Welsh
3 – 4	25.1%
5 – 15	42.3%
16 – 19	30.6%
20 – 44	15.2%
45 – 64	12.2%
65 – 74	13.3%
75+	16.5%

Traditionally, the majority of Welsh speakers in Powys have been located in parts of North Powys, in particular the Bro Ddyfi and Dyffryn Banw areas, as well as the Ystradgynlais area in the south of the county.

### 2.3.4 Education Provision

#### CURRENT SCHOOL PROVISION IN POWYS

Powys County Council currently provides the following:

- 5 Infant Schools (ages 3 to 7)
- 3 Junior Schools (ages 7 to 11)
- 77 Primary Schools (ages 3 to 11)
- 1 All-through School (ages 3 to 18)
- 11 Secondary Schools (ages 11 to 18)
- 3 Special Schools (ages 3 to 19)
- 1 Pupil Referral Units (statutory school age)

In addition, post-16 provision, mainly vocational, is provided by NPTC Group of Colleges on two main college campuses in Newtown and Brecon.

In January 2014, there were 9,193 pupils in the primary sector and 7,992 in the secondary sector, including 1,332 in post-16 education in school sixth forms. There were 293 pupils in special schools in Powys. Provisional figures for January 2015 indicate an overall fall in pupil numbers with a small increase in primary education to 9264 and fall in secondary education to 7,738, including 1,262 post 16 students

### 2.3.5 Pupil Projections – Primary and Secondary

The table below shows the total number of pupils in Powys schools since 2008, as well as projected pupil numbers up until 2018:

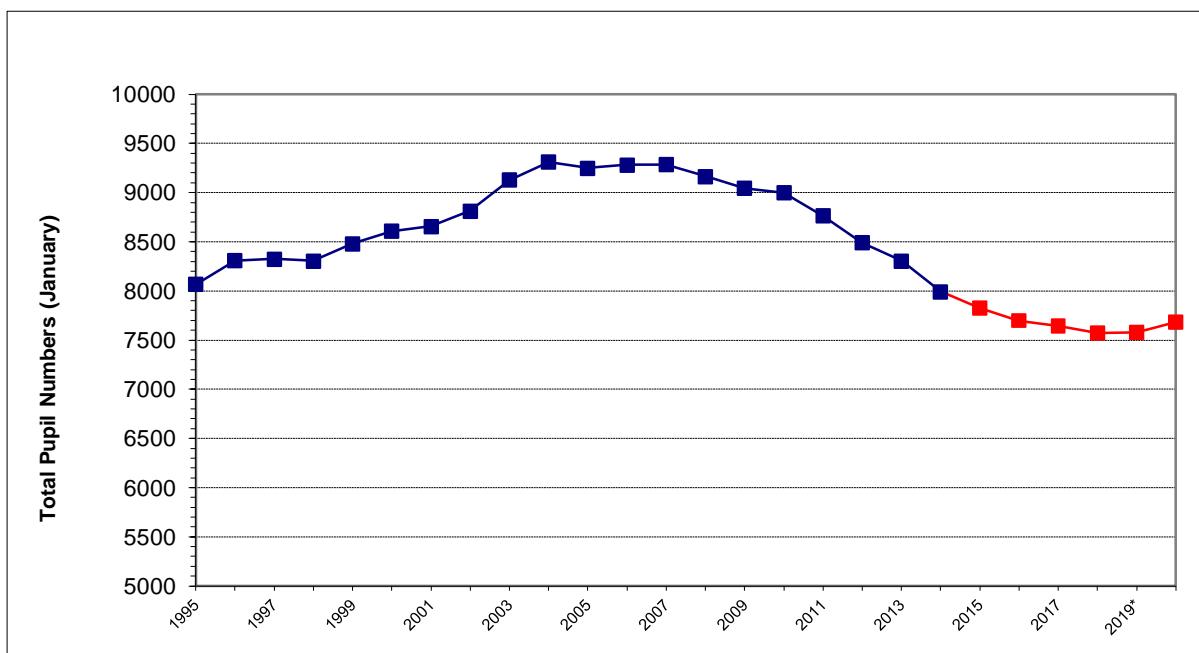
**Table 13: Pupil Numbers and Projections in Powys**

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Primary (Reception – Year 6)	9745	9467	9357	9166	9110	9268	9193	9264	9368	9425	9603
Secondary (Year 7 – 11)	9165	9045	8998	8766	8493	8306	7992	7826	7699	7642	7573
Total	18910	18512	18355	17932	17603	17574	17185	17090	17067	17067	17176

There has been a significant reduction in pupil numbers in Powys over the last six years, with a reduction of 3% in the primary sector and 12% in the secondary sector. In 2014, there were 552 less pupils in the primary sector and 1,173 less pupils in the secondary sector than there were in 2008.

The Authority will monitor school population projections on an annual basis and recognises that school population trends fluctuate dependent on a variety of school and external factors. In addition the local pattern of population demographics will vary across different localities, and may vary from the county-wide pattern. However, the overall age demographic of the Powys population will change significantly in future years. Along with the financial pressures currently facing the Authority, this is likely to lead to a change in priorities with regard to Council funding and spending. Therefore, it will become more important than ever that education is delivered as efficiently as possible, to ensure that schools can continue to improve standards and provide the best possible opportunities for learners.

**Figure 2: Number of Secondary School Pupils in Powys**



Despite the reduction in the total number of pupils in Powys in recent years, the Authority has responded proactively to this situation, and to targets set by the Welsh Government in 2012 to reduce surplus places. A reduction in over 1,000 surplus places across both the primary and secondary sectors has been achieved in the last 5 years by closing small schools, removing unrequired blocks / mobiles in secondary schools and re-utilising specific areas within schools.

These changes have resulted in the Authority making good progress towards the target set by the Welsh Government in 2012 to reduce surplus places to less than 15% by January 2015. The percentage of surplus places in Powys schools in the last three years was as follows:

**Table 14: Percentage of surplus places in Powys Schools**

	2011	2013	2014
<b>Primary Sector</b>	23.9%	14.3%	14.0%

<b>Secondary Sector</b>	18.3%	15.2%	18.0%
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In May 2012, Estyn<sup>5</sup> published a report entitled ‘How do surplus places affect the resources available for expenditure on improving outcomes for pupils?’, which concluded that ‘where there is a higher than necessary level of school places, resources are being deployed inefficiently that could be better used to improve the quality of education for all learners.’

In order to ensure that the resources available to provide education in Powys are used in the most efficient way, the Authority will continue to work towards reducing the percentage of surplus places in Powys schools. Although the Authority has been proactive in this regard, it recognises that, in the secondary sector in particular, reduction of surplus places without structural change is not fully addressing the problem. The Authority must seek to reduce its fixed cost if it is to release resources to improve standards.

It must be acknowledged that in a rural county such as Powys, travel costs will be an important consideration when considering how to address large numbers of surplus places in schools. In some cases, it is possible that travel costs would outweigh any savings resulting from the closure of a school, and the Authority will have to be mindful of this when determining how to proceed.

### 2.3.6 Continued Improvement in Education Standards

Powys Local Authority in partnership with Ceredigion, Carmarthenshire, Pembrokeshire, Swansea and Neath Port Talbot (ERW) implements the National Model for School Improvement to raise standards in its schools. The Authority is working effectively in partnership with schools and other partners to ensure that school and pupil performance is at its highest. Although performance in Powys schools is improving, there is a need to ensure that schools are organised in such a way that will ensure that they can continue to improve in the future, to ensure that all pupils can achieve the best possible standards.

### 2.3.7 Finance

The annual budget (2014/2015) for primary schools was £36.463m, secondary schools £33.123m and special schools was £5.059m (these figures exclude Pupil Deprivation Grant, School Effectiveness Grant, Welsh Education Grant and Statemented).

As with other Welsh authorities, the Council is facing a very difficult financial position, which is expected to continue for the remainder of the decade. In 2014/15 the Council received a funding settlement of £182 million. This was a reduction of 4.6% compared with the previous year, and was equivalent to a funding decrease of £8.712m.

The provisional settlement received in December 2015 showed a reduction of 4.1% or £7m in AEF for Powys compared with an average reduction of 1.4% across Wales. Powys received the greatest reduction of all Authorities. Final settlement will not be received until

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<sup>5</sup>[www.estyn.gov.uk/english/docViewer/244416.9/how-do-surplus-places-affect-the-resources-available-for-expenditure-on-improving-outcomes-for-pupils-may-2012/](http://www.estyn.gov.uk/english/docViewer/244416.9/how-do-surplus-places-affect-the-resources-available-for-expenditure-on-improving-outcomes-for-pupils-may-2012/)

March 2016 so the Authority will be setting its budget before funding is confirmed and must therefore consider contingency plans for any possible changes.

The Welsh Government has once again reaffirmed its commitment to protect the education budget at 1% above the Welsh settlement received from Central Government. However, the documentation received from Welsh Government does not express the requirement to passport this element to schools.

In developing its budget proposal, the Cabinet of the Council has identified areas where savings can be made, and Services within the Council will be expected to deliver a 20% efficiency this year. The Cabinet has agreed to protect the Schools Delegated Budget. However, cuts in other service areas may impact on schools, as future services may be withdrawn or be charged on a full cost recovery basis.

The Price Waterhouse Coopers (PWC) Study into the Financial Viability of Secondary Schools in Powys<sup>6</sup> suggests that the sector as a whole appears to be reaching a financial breaking point.

In order to absorb the impact of these cuts schools will have to consider reducing areas of expenditure in order to protect curriculum delivery and raise standards of teaching and learning. This could lead to a situation where class sizes are increased, staff numbers are reduced, and schools reduce their spending on areas such as professional development or building maintenance.

### **2.3.8 Post-16 Education in Powys**

Post-16 education in Powys is currently provided by the Authority in twelve school sixth forms, by NPTC Group of Colleges (formally Coleg Powys) at two main campuses in Brecon and Newtown, and from a range of work-based learning providers. Powys' three Special Schools also provide education up to the age of 19.

### **2.3.9 School Sixth Forms**

In January 2015 there were 1,262 learners studying in sixth forms – the staying-on rate into Powys sixth forms is 50%, based on the average over the last three years. The Authority received £5.5m from the Welsh Government for sixth form provision for 2015/16.

The Authority, schools and the college have been working in partnership for a number of years to provide opportunities for 16 – 19 year olds. Joint-planning and commissioning arrangements between the schools has led to a more coherent provision, with which provides learners with a wider choice of subjects that can be accessed from different schools. This has led to a reduction in duplication of provision, but learners have to travel to other schools or to the college to study specific subjects. Whilst this arrangement allows learners to theoretically access a menu of 30 subjects, the cost of inter-school transport continues to increase.

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<sup>6</sup> <http://www.powys.gov.uk/en/schools-students/plans-for-powys-schools/>

Whilst the quality of post-16 education in Sixth Forms is of a high standard in most schools, the continued financial pressure is endangering not only the quality of provision, but also the breadth of subjects available.

The financial and educational sustainability of post-16 provision in schools is under review following a significant (10%) reduction of the Authority's post-16 grant for 2014 onwards. The joint-planning process has enabled the management of this reduction successfully, but the outcome is that 31 classes have had to be cut from Powys sixth forms in order for 2014/15 provision to be within budget. There is a significant risk that the Authority will not be able to meet its statutory requirement under the Learning and Skills Measure and that schools will become financially-led, rather than curriculum-led.

Indicative funding forecasts received from the Welsh Government suggest a further reduction in funding over the next few years, caused in part by a reduction in learner numbers.

As a result, Cabinet recommended that a Strategic Review of Sixth Forms is undertaken, with an interim report considered by Cabinet in July 2014. This report, initially commenced within Powys County Council, has since been delivered by PWC, with the remit extended from Post 16 education to include all Secondary education provision within the County (see Appendix A for the Secondary School Cabinet report dated 27<sup>th</sup> January 2015).

### **2.3.10 NPTC Group of Colleges**

NPTC Group of Colleges came into existence on 1 August 2013. It was formed as a result of the merger of Neath Port Talbot College and Coleg Powys. NPTC Group of Colleges is one of the largest groups of colleges and education providers in Wales in terms of student numbers and has an annual turnover of circa £55 million. The four main campuses of the NPTC Group of Colleges between them provide almost every conceivable vocational area of education and training, including an outstanding 6th Form Academy based on the Neath Campus. The net internal area of all these sites is 88,809m<sup>2</sup>.

The College group covers over one third of the land mass of Wales and operate from four large main centres, the Afan Campus, Brecon Beacons Campus, Neath Campus and Newtown Campus. The Group also has smaller centres including the Pontardawe Campus; Maesteg Campus; Queen Street Campus; Swansea Campus; Llandrindod Wells Campus; and a state of the art Sports Academy in Llandarcy Park. Geographically, this means that there are approximately 100 miles between the furthest campus north and south. Additionally, subsidiary companies also operate at various venues in Swansea, Llandarcy, Llanelli and Portsmouth.

NPTC Group of Colleges is a Beacon Award winning college and was the first college in Wales to hold the whole college Basic Skills Quality Mark for delivery of basic skills to post 16 learners. It offers 46 "AS" Subjects and 45 "A" Level Subjects. The College also offers over 80 vocational pathways and the Welsh Baccalaureate at all three levels within a number of different vocational and academic courses. These courses may be offered on a part-time and full-time basis both at further and higher levels. From September 2015, the College are offering 14 "A" levels from the existing Brecon campus none of these duplicate

provision offered at Brecon High School and only 2 overlap with those offered by Gwernyfed High Schools.

The Group delivers “A” levels within a tertiary structure which has been running for over 30 years. The pass rate has been above 99% for the past eight years and all but two A Level subjects gained a 100% pass rate this year. A 6th Form Academy was established a few years ago which saw NPTC Group of College’s “A” level results become the best in Wales. This includes the GATE (Gifted and Talented Excellence) programme for those students who have done extremely well at GCSE and hope to go to Oxbridge or Russell Group Universities. A\*- A results are always around two thirds of all entries. The Group has recently announced the introduction of a 6<sup>Th</sup> Form Academy and GATE on its Brecon Beacons Campus; listing 14 AS choices for September 2015. The College will be the lead provider for the next rollout of the WG “Seren Network” project which is aimed at promoting applications to Oxbridge and Sutton Trust Universities.

NPTC Group of Colleges also has an outstanding quality higher education programme, delivered in partnership with Swansea University, The University of South Wales, University of Wales Trinity St David, the Open University and Glyndwr University. The college delivers 9 different BSc (Hons) and BA (Hons) degrees, eight Foundation Degrees, four HNDs, two certificates of Higher Education, the Certificate in Education and the Post Graduate Certificate in Education. The College has been inspected by ESTYN and gained good quality and outstanding grades in all areas, including Grade 1 outstanding for curriculum, Quality and Leadership Management. All adult community education is delivered via the New Learning Network partnership which is a planning and delivery partnership between NPTC, the County Borough Council, the Council for Voluntary Services and other organisations including third sector organisations. There are over 100 outreach centres. This was awarded Grade1 – outstanding by Estyn in 2007 for curriculum and for quality. The College also has a strong commitment to developing the bilingual aspects of its portfolio and the Welsh Language scheme has been updated this year.

The annual budget for NPTC Group of Colleges in Powys is £11.77M.

The College has seen an improvement in learner outcomes. In 2012/13 the successful completion increased by 2% to 89% (national comparator 84%) and is the best performing Group of colleges in Wales in comparison with all colleges, including 6th form colleges. This has been driven by significant improvements in the management of quality. The last Estyn inspection dates back to 2009 for Coleg Powys, with Neath Port Talbot College inspected in 2012. Overall, both legacy colleges were judged to be good.

### **2.3.11 Welsh-medium Education in Powys**

In April 2010, the Welsh Government published its Welsh-medium Education Strategy<sup>7</sup>, which sets the national strategic direction for Welsh-medium education. The Strategy includes strategic aims, objectives and targets for the various phases in education and

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<http://gov.wales/topics/educationandskills/publications/guidance/welshmededstrat/?lang=en>

training in Wales, and emphasises the importance of improving effective planning for Welsh-medium education.

To contribute to the implementation of the Welsh-medium Education Strategy, Local Authorities have been preparing Welsh in Education Strategic Plans (WESPs), detailing how they will contribute to achieving the outcomes and targets set out in the Welsh-medium Education Strategy, since 2012.

Powys' current WESP for 2014 – 178 was approved by Cabinet in May 2014 and by the Welsh Government in June 2014. One of the Strategic Aims stated in the WESP is 'to provide robust linguistic continuity of Welsh-medium provision across all key phases of education', to enable all children and young people across Powys to experience the cultural and cognitive benefits of bilingualism.

Welsh-medium secondary education in Powys is provided through 6 dual-stream schools across the county. However, the level of Welsh-medium provision and the number of Welsh-medium pupils in each of the 6 dual-stream Secondary Schools in Powys varies significantly. In addition, pupils from some parts of Powys access Welsh-medium secondary provision outside Powys, most notably pupils from the Ystradgynlais area, who access provision at Ysgol Gyfun Ystalyfera, located within Neath Port Talbot County Borough.

The current policy in Powys is to deliver via 6 dual-stream schools in Powys, with the aspiration that all schools develop to become Category 2B schools, providing at least 80% of their curriculum through Welsh as well as English, in order to ensure that pupils are able to access sufficient Welsh-medium provision to enable them to continue to develop their Welsh-medium skills during their time at Secondary School.

However, schools' progress towards achieving this aim has been limited, particularly in respect of Key Stage 4 provision, and this is compounded by the challenging financial situation faced by the authority, which will make it increasingly difficult to achieve this target by 2020. Consideration must be given in this review to whether there are other delivery models that may ensure that Welsh-medium pupils in Powys can access more robust Welsh-medium provision in the secondary sector.

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<sup>8</sup> <http://www.powys.gov.uk/en/schools-students/plans-for-powys-schools/>

### 2.3.12 School Building Conditions

Powys County Council aspires to provide learning environments that meet the standards of the Welsh Government's 21st Century Schools Programme<sup>9</sup>. However, the majority of Powys' school buildings are of ageing stock, with a combination of old Victorian buildings, early and mid-20th Century buildings.

In 2009, the Welsh Government commissioned a condition survey of all schools in Wales, as part of their 21st Century Schools Programme. All schools were graded on their condition, suitability and sustainability - the grades are defined as follows:

Grade	Description
<b>Grade A</b>	Good. Performing as intended and operating efficiently
<b>Grade B</b>	Satisfactory. Performing as intended but exhibiting minor deterioration
<b>Grade C</b>	Poor. Exhibiting major defects and / or not operating as intended
<b>Grade D</b>	Bad. Life expired and / or serious risk of imminent failure

One of the Authority's key aims is that in the future, the condition of all school buildings or blocks is graded A or B.

Based on the schools' condition ratings as identified by the Welsh Government's surveys, the estimated cost of bringing all school buildings or blocks up to a fit-for-purpose (Grade A or B) standard is in excess of £230m.

## 2.4 Strategic Aims and Objectives

Priorities for public service delivery over the next three years have been set out in a multi-organisation improvement plan for Powys – the One Powys Plan. The One Powys Plan is a transformational plan agreed by all members of the Powys LSB. The plan presents the county's priorities for improvement and sets out how, through working together, those priorities will be met. This document marks an important step in an evolving process. For the first time, Powys County Council has merged its own corporate plan (previously called the Powys Change Plan) into this single integrated plan. The plan will influence the work of the LSB until at least 2017 and will ensure that by working together the wellbeing of Powys citizens will be improved.

'Transforming Learning and Skills' is a key priority within the plan, and the Authority's aim is to ensure that 'all children and young people are supported to achieve their potential'. The

<sup>9</sup> <http://21stcenturyschools.org/?lang=en>

plan states that the Authority needs to 're-organise schools (primary, secondary and post 16) to ensure affordability, sustainability and appropriate leadership capacity'.

In January 2015, Powys County Council's Cabinet agreed to commence a Secondary School Reorganisation Programme, in order to develop a sustainable model of delivery for the future. The Programme has two key objectives:

- **Reconfiguration of secondary and post-16** education to create a sustainable infrastructure of schools and Sixth Forms across Powys, enabling a broader range of subjects to be provided from each school site, whilst minimising the need for inter-school travel and transport.
- **Reconfiguration of Welsh-medium education** with the aim of establishing at least one Bilingual Category 2A Secondary School (sometimes known as a Welsh-medium school) in the county, and the consolidation of other Welsh-medium streams into larger units. This will enable schools to provide the appropriate curriculum offer and progression routes for Welsh-medium learners.

This Programme is the result of a review of the Financial Viability of Secondary Schools and Sixth Forms in Powys, carried out by PricewaterhouseCoopers (PWC) in 2014. The first part of the review, carried out between April and June 2014, concluded that 'all the schools appear to be reaching a point where their options are extremely limited and there is a tangible risk that schools will become finance-led rather than curriculum-led', and that 'in light of the forecasted deteriorating financial position of the whole county provision, even a concerted, joint effort of cost management may not be enough to avoid the requirement to examine structural changes to the education provision across the county'.<sup>10</sup>

At the same time, a separate review into the sustainability of post-16 education in Powys was carried out by the Authority. At its meeting of 1st July 2014, Cabinet considered a report on the initial findings of the review which concluded that 'the delivery of post-16 education within the existing infrastructure of twelve Sixth Forms was increasingly challenging,'<sup>11</sup> particularly given the significant reduction in funding for 2014/15 provision and the forecasted decrease in pupil numbers over the next few years.

It is therefore essential that the Council reviews its Secondary School infrastructure to ensure that the sector is financially and educationally sustainable, and that it can meet the needs of future learners. This is aligned with the Welsh Government's School Organisation Code, which states clearly that, when developing proposals for school reorganisation, 'relevant bodies should place the interests of learners above all others. With reference to the key questions of the Office of Her Majesty's Chief Inspector of Education and Training in Wales (Estyn), they **should** give paramount importance to the likely impact of the proposals on the quality of:

- outcomes (standards and wellbeing);
- provision (learning experiences, teaching, care support and guidance, and learning environment); and
- leadership and management (leadership, improving quality, partnership working and resource management)

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<sup>10</sup> PWC's report into the Financial Sustainability of Secondary Schools in Powys, 2014

<sup>11</sup> Cabinet report July 1<sup>st</sup> 2014

At the school or schools which are the subject of the proposals and at any other school or educational institution which is likely to be affected. Relevant bodies should pay particular attention to the impact of the proposals on vulnerable groups, including children with Special Educational Needs (SEN).

Relevant bodies **should** also consider the ability of the school or schools which are the subject of the proposals to deliver the full curriculum at the foundation phase and each key stage of education. This consideration **should** include the quality of curriculum delivery and the extent to which the structure or size of the school is impacting on this.'

## 2.5 Business Strategies

### 2.5.1 National Strategies

There are several national policy drivers that have been influential in developing this case for investment.

**Table 15: Key National Policy Drivers**

National policy drivers	Relevance to this investment
<b>21 Century Schools Programme</b>	<ul style="list-style-type: none"> <li>• Good quality school buildings in place of the current poor quality school buildings</li> <li>• Better resources which will enable the successful implementation of strategies for school improvement and lead to better educational outcomes</li> <li>• Reduction in recurrent costs, energy, consumption and carbon emissions</li> <li>• Resources for the whole community which can offer a range of facilities, such as childcare and adult training</li> <li>• Better quality ICT provision and technology, which will drive improvements in educational standards</li> </ul>
<b>School Effectiveness Framework</b>	<ul style="list-style-type: none"> <li>• In February 2008, the Welsh Government published the 'School Effectiveness Framework – Building Effective Learning Communities Together'. The Framework describes the key characteristics required to build on existing good practice and improve children's learning and wellbeing throughout Wales</li> <li>• As part of the Framework, the Welsh Government and its partners have developed a statement of National Purpose for Schools. In order to meet the National Purpose for Schools, the Framework states that the local authority should create a strong, supportive, local system by helping schools to connect and collaborate with one another and with other community programmes, to maximise sharing of facilities and good practice. Local authorities should ensure that school provision is organised effectively in buildings that are fit for purpose, so that every learner has access to high quality, broad and balanced educational experiences</li> </ul>

<b>National Model for Schools</b>	<ul style="list-style-type: none"> <li>In February 2014, the Welsh Government published the national model for regional working which provides a vision and purpose to support reform in the way that local authorities, regional consortia and the Welsh Government work together to support leaders, governors and teachers and through this process help to create excellent learning, in excellent classrooms in excellent schools. Included in the scope of regional consortia is to work with local authorities to ensure that their plans for developing and implementing strategies for 21C entry schools go hand in hand with plans for school improvement</li> </ul>
<b>Reduction of Surplus Places</b>	<ul style="list-style-type: none"> <li>In May 2012, all Welsh authorities received a letter from Leighton Andrews, Minister for Education and Skills at the time, in which he set out the Welsh Government's clear expectation that all authorities should take action to avoid excessive surplus places and setting a target for authorities to reduce surplus places to below 15% by January 2015</li> </ul>

## 2.5.2 Regional and Local Initiatives

There are also various regional and local initiatives across Powys that have influenced this case for investment. The tables below set out the relevant related national, regional and local policy drivers:

**Table 16: Regional and Local Policy Drivers**

<b>Regional and local policy drivers</b>	<b>Relevance to this investment</b>
<b>One Powys Plan 1</b>	<ul style="list-style-type: none"> <li>Priorities for public service delivery over the next few years have been set out in a new multi-organisation improvement plan for Powys – the One Powys Plan. This is a transformational plan, which has been agreed by all members of the Powys LSB. The plan presents the county's priorities for improvement and sets out how, through working together, those priorities will be met. This document marks an important step in an evolving process. For the first time, Powys County Council has merged its own corporate plan (previously called the Powys Change Plan) into this single integrated plan. The plan will influence the work of the LSB until at least 2017 and will ensure that by working together the well-being of Powys citizens will be improved</li> </ul>
<b>School Transformation Strategy 2014</b>	<ul style="list-style-type: none"> <li>Planning of school places to ensure that appropriate educational provision is accessible by all pupils</li> <li>Secondary School Viability</li> </ul>
<b>Powys Welsh in Education Strategic Plan 2014</b>	<ul style="list-style-type: none"> <li>To ensure that all primary school pupils in Powys have the opportunity to attend a Welsh-medium primary school if they choose</li> </ul>
<b>Powys Community Focused Schools Strategy</b>	<ul style="list-style-type: none"> <li>To ensure that key services are sufficiently integrated and able to work collaboratively to identify and meet all the needs of a child and their family. By looking at the child in this holistic way we will increasingly be able to remove barriers which could prevent them from reaching their full potential</li> </ul>

Regional and local policy drivers	Relevance to this investment
<b>Powys Carbon Reducing and Sustainability strategies</b>	<ul style="list-style-type: none"> <li>All new schools will be part of a new generation of energy efficient buildings where the reduction of carbon emissions and sustainable development as the main driving force. With materials specified where possible from the BRE Green Guide, new school buildings will be subject to a BREEAM assessment.</li> </ul>
<b>Powys Regeneration Strategy</b>	<ul style="list-style-type: none"> <li>To ensure that regeneration is embedded into everyday practice, to deliver outcomes which will have a positive impact upon not just the physical, Social, environmental, but also the economic and cultural attributes of the county</li> </ul>
<b>Powys ICT strategy</b>	<ul style="list-style-type: none"> <li>ICT Strategy for Schools is built around the 21 Century Schools Standard. It is aimed at delivering learners' entitlement to use technology to support their learning and to enable schools to become more innovative and effective in their teaching and learning</li> </ul>
<b>Powys Schools Asset Management Strategy 2014</b>	<ul style="list-style-type: none"> <li>Provides the new framework for investment in school buildings</li> </ul>

## 2.6 Part B: The Case for Change

The main drivers for taking forward this proposal that seeks to establish a new 21<sup>st</sup> Century learning campus on a new site in the Brecon area are:

- The need for Secondary Schools and post 16 re-organisation in Powys.
- The breadth of curriculum offered in some Powys schools.
- Condition of Brecon High School has significant building maintenance issues – the school has been categorised as Condition D in a Welsh Government survey in 2009.
- Surplus Capacity - Brecon High School has significant levels of surplus capacity. It currently has 26% surplus places.
- Condition of Gwernyfed High School is categorised as C for both Condition and Sustainability, and as B/C for Suitability.
- Surplus Capacity – Gwernyfed High School has significant levels of surplus capacity. It currently has 19.3% surplus places.
- Quality of Education – Brecon High School has been placed in Special Measures by Estyn in 2013.
- Limited integration of service delivery between organisations.
- The College campus also has building maintenance issues.

- The ability to provide a sustainable model of Secondary and Post 16 education in the Brecon and Gwernyfed areas.
- The ability to leverage financial and educational economies of scale from a new, larger Secondary school and Post 16 Tertiary provision.
- The ability to provide more flexibility for learners between (Post 16) academic and vocational courses.
- The potential to build on the A level offering of NPTC Group of Colleges at the Brecon campus, to the benefit of Post 16 learners in the area.

## 2.7 Investment Objectives

The Investment Objectives for this project are:

1. To improve the learning outcomes for pupils and learners across the ability range
2. To provide a progressive and innovative curriculum that is responsive to the needs of learners, communities and Powys and the wider economy
3. To provide post 16 education that embraces academic and vocational approaches and which optimises the Learning Skills Measure
4. To provide a stimulating teaching and learning environment in 21st Century facilities centred on the learning, self-esteem and well-being of all learners
5. To support the authority's aim of reducing surplus places in schools
6. To achieve efficiencies (economic and environmental) through economies of scale and governance arrangements

**Table 17: Investment Objectives, Measures and Targets**

• <b>Investment Objective</b>	• <b>Measure</b>	• <b>Target</b>
1. To improve the learning outcomes for learners across the ability range.	<p>i. Improved learning outcomes, as measured by relevant data sources:</p> <ul style="list-style-type: none"> <li>• Estyn inspection outcomes and benchmarks</li> <li>• Regional / Local Authority Review</li> <li>• Individual learner and learning centre targets</li> <li>• Pupil voice / learning centre council feedback</li> <li>• Whole school end of key stage performance data</li> <li>• National benchmarking data</li> <li>• DFES</li> </ul>	<ul style="list-style-type: none"> <li>• All lesson observations of the key areas of all key stages to be reported as 'Excellent' or 'Good' within 18 months of new campus opening.</li> <li>• All lecturing assessment grades to be 'Good' or 'Outstanding' and at least 30% as 'Outstanding' within 18 months of new campus opening.</li> <li>• To achieve 'Excellent' or 'Good' Estyn and/or Local Authority judgements for the three Key Questions within 18 months of new campus opening.</li> <li>• All lesson observations reported by Estyn as 'Excellent' or 'Good' for Teaching and Learning within 18 months of new campus opening.</li> <li>• To achieve a judgement of at least 'Good' or 'Excellent' for learner outcomes as a result of Estyn inspections within 18 months of new campus opening.</li> <li>• To gain a positive stakeholder satisfaction report based on Estyn, Learner and Parent questionnaires within 18 months of new campus opening.</li> <li>• Post 16 education to be categorised as 'Excellent' across DFES and Estyn benchmarks.</li> </ul>
2. To provide a progressive and innovative curriculum that is responsive to the needs of learners, communities and Powys and the wider economy.	<p>i. The % of 16-19 year olds participating in education or training and living in effective catchment.</p> <p>ii. Maintain low % of NEETS in effective catchment.</p> <p>iii. A curriculum which responds to the identified skills needs and is resourced and organised to deliver it.</p>	<ul style="list-style-type: none"> <li>• Increase the % of 16-19 year olds participating in education, training and employment to over 98% within 18 months of new campus opening.</li> <li>• Reduce NEETS to below 2% (currently 2.7%) within 18 months of new campus opening.</li> <li>• A curriculum which is signed up to by a committee of representatives of the business community within 18 months of new campus opening.</li> <li>• To increase the percentage of pupils in Year 6 feeder primary schools transferring to the school to 95%</li> </ul>

• Investment Objective	• Measure	• Target
		within 5 years of the school opening
3. To provide post 16 education that embraces academic and vocational approaches and which optimises the Learning Skills Measure.	<ul style="list-style-type: none"> <li>i. The % of 16-19 year olds achieving qualifications up to level 3.</li> <li>ii. The % of 16-19 year olds achieving Level 3 Threshold Indicator.</li> <li>iii. Opportunity to access a wide range of high quality learning experiences while optimising travel time.</li> </ul>	<ul style="list-style-type: none"> <li>• Maintain 100% success rate for students achieving level 3 Threshold Indicator.</li> <li>• Total number of academic and vocational courses offered to reach 25 academic and 30 vocational within 18 months of new campus opening.</li> </ul>
4. To provide a stimulating teaching and learning environment in 21st Century facilities centred on the learning, self-esteem and well-being of all learners.	<ul style="list-style-type: none"> <li>i. Improved motivation, engagement, attendance and extracurricular involvement as evidenced by facilities being used: <ul style="list-style-type: none"> <li>- Learning centre self-evaluation</li> <li>- Learning centre improvement plan</li> <li>- Estyn inspection outcomes</li> <li>- Local Authority review outcomes</li> <li>- Pupil voice / school council</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• All aspects of learner wellbeing (as detailed in Estyn guidance) to be awarded a judgement of 'Excellent' within 18 months of new campus opening.</li> <li>• Attendance of school percentage rate to increase to at least 94% for the academic year 2018/19 (92.6% in 2012/2013).</li> <li>• To interview 10% of pupils and 5% of parents to evaluate the effectiveness of the learning centres policies and practices in promoting learners' wellbeing seeking a satisfaction classification of at least 'good' (reference parental survey annex 5 Estyn guidance).</li> </ul>
5. To support the authority's aim of reducing surplus places in schools.	i. Reduction in surplus pupil places resulting in effective and efficient use of educational resources (as a result of the new build 11-18 campus).	<ul style="list-style-type: none"> <li>• Number of occupied places in Brecon High School to be within the Authority's agreed range of between 90% and 105% within five years of opening.</li> </ul>
6. To achieve efficiencies (economic and environmental) through economies of scale and governance arrangements.	<ul style="list-style-type: none"> <li>i. More efficient and effective management (structure) of the learning centre</li> <li>ii. Consistency across lecturing/teaching staff contracts (terms and conditions of employment)</li> <li>iii. Consistency across</li> </ul>	<ul style="list-style-type: none"> <li>• Reduction in premises costs per square metre (excluding NNDR) of 5% within 18 months of new campus opening.</li> <li>• All staffing contracts (for lecturers) to be standardised within 18 months of new campus opening.</li> <li>• All staffing contracts (for support services) to be standardised within</li> </ul>

• Investment Objective	• Measure	• Target
	<p>support services staff contracts (terms and conditions of employment)</p> <p>iv. Reduced backlog maintenance and accessibility costs.</p> <p>v. Reduction in energy use and carbon emissions.</p> <p>•</p>	<p>18 months of new campus opening.</p> <ul style="list-style-type: none"> <li>Reduction in backlog maintenance and accessibility costs by 5% within 18 months of new campus opening.</li> <li>Reduction in energy usage and carbon emissions by 10% within 18 months of new campus opening.</li> </ul>

## 2.8 Existing Arrangements and Business Needs

### 2.8.1 Current School Arrangements

Table 18: Brecon High School: Existing Arrangements

Age range	11 – 18		
No of pupils KS3 & 4	556 (Jan 15 figure)		
No of pupils post-16	89 (Jan 15 figure)		
Language Category	Category 3 (English language school with significant use of Welsh)		
No. of pupils in Welsh-medium stream	63		
No. of teaching groups per year KS3 & 4	Brecon High School	Number of teaching groups / classes	Number of pupils
	Year 7	5	105
	Year 8	5	100
	Year 9	5	103
	Year 10	6	127
	Year 11	5	121
ALN/SEN	<p>2% have statements</p> <p>Autistic spectrum disorder unit on site</p>		
Free School Meals	8.5% (national average 17.6%)		
Level of surplus places	227 (26%)		

<b>Teachers</b>	Heads = 43 (34 full time and 9 part-time) FTE = 37.9 (34 full time and 3.9 part-time)
<b>Support Staff</b>	Heads = 37 (18 full time and 19 part-time) FTE = 30.2 (18 full time and 12.2 part-time)
<b>Head Teacher</b>	1 Headteacher (plus 2 deputies and 1 assistant head teacher)
<b>Mixed Classes (bilingual)</b>	1 class in Year 10 and 1 in Year 11 (Music)
<b>Governing Body</b>	1 Governing Body (18 members, including the Headteacher)
<b>Condition of School Building</b>	D
<b>Backlog Maintenance</b>	£15,581,541
<b>Pupils from ethnic minorities</b>	89% (white British) 11% Other groups

**Table 19: Gwernyfed High School, Existing Arrangements**

<b>Age range</b>	11 – 18		
<b>No of pupils KS3 &amp; 4</b>	377		
<b>No of pupils post-16</b>	82		
<b>Language Category</b>	English Medium School, no bilingual classes		
<b>No. of pupils in Welsh-medium stream</b>	No Welsh Medium stream		
<b>No. of teaching groups per year KS3 &amp; 4</b>	<b>Gwernyfed High School</b>	<b>Number of teaching groups / classes</b>	<b>Number of pupils</b>
<b>Year 7</b>	3		68
	3		70
	4		87
	3		70
	4		85
<b>ALN/SEN</b>	1% with statements		
<b>Free School Meals</b>	5% (national average 17.6%)		

<b>Level of surplus places</b>	110(19.3%)
<b>Teachers</b>	Heads = 34 (22 full time and 12 part-time) FTE = 27.9 (22 full time and 5.9 part-time)
<b>Support Staff</b>	Heads = 14 (1 full time and 13 part-time) FTE = 11.1 (1 full time and 10.1part-time)
<b>Head Teacher</b>	1 Headteacher (plus 2 assistants)
<b>Mixed Classes (bilingual)</b>	None
<b>Governing Body</b>	1 Governing body with 18 members including the headteacher
<b>Condition of School Building</b>	C
<b>Backlog Maintenance</b>	£3,721,200
<b>Pupils from ethnic minorities</b>	2%

**Table 20: Brecon Beacon Campus, NPTC GROUP OF COLLEGES Existing Arrangements**

• <b>Pupils</b>	<ul style="list-style-type: none"> <li>• 1320</li> <li>• (395 full time, 775 part-time, 90 age 14-16 and 60 age 16-19)</li> </ul>
• <b>Academic Staff</b>	<ul style="list-style-type: none"> <li>• Heads = 74 (53 hourly paid and 21 salaried)</li> <li>• FTE = 30</li> </ul>
• <b>Support Staff</b>	<ul style="list-style-type: none"> <li>• Heads = 47 (24 hourly paid and 23 salaried)</li> <li>• FTE = 28</li> </ul>
• <b>Principal</b>	<ul style="list-style-type: none"> <li>• 1</li> </ul>
• <b>Governing Body</b>	<ul style="list-style-type: none"> <li>• 1 Governing Body (19 members, including the Principal)</li> </ul>
• <b>Condition of College Building</b>	<ul style="list-style-type: none"> <li>• Category B/C overall (cusp C)</li> <li>• DDA Compliant</li> </ul> <p>Good levels of disabled facilities, with a number of exceptions, particularly the absence of any disabled changing facilities in the sports block.</p>

## 2.8.2 Brecon and Gwernyfed Catchment Area Profiles

The catchment areas of Brecon and Gwernyfed Secondary Schools are located in South Powys. The largest town in the area is Brecon, with a population of around 8,250. It is the third largest town in Powys and is popular as a holiday destination, being on the northern edge of the Brecon Beacons National Park.

The catchment of Gwernyfed lies to the North East of Brecon, and includes the smaller towns of Talgarth and Hay-on-Wye, also within the National Park. It shares a border with Herefordshire.

The distance between the two high schools is 10.5 miles, and the approximate travel time in a car is around 20 minutes.

Beyond these two catchment areas, the closest towns are Crickhowell and Builth Wells.

**Figure 3: Map of Brecon and the surrounding area of South Powys**



English and Welsh are the main languages spoken in the area, but there is also a high Nepalese population in Brecon due to the Gurkha regiment based in the town, with English as their second language. More Welsh is spoken in the Brecon area than in the Gwernyfed area. According to the 2011 census, 18% of the Brecon population can speak Welsh, a figure that has grown by 2% since the 2001 census.

Unemployment in the area is just below 2% which is comparable with the Powys rate of 1.7% in March 2014. The main employers are in the public administration, education and health sector and also in distribution, hotels and restaurants. There is a predominance of micro businesses and self-employed workers.

In terms of deprivation in the respective catchment areas:

- St John's 2 LSOA in Brecon is amongst the worst 30% in Wales on the Welsh Index of Multiple Deprivation 2014.
- St John 2 is in the worst 20% areas in Wales in the Education, Skills and Training domain.
- St Mary's 1 in Brecon is within the worst 20% areas in Wales within the Housing domain.
- Areas in the Gwernyfed catchment are amongst the worst 50% in Wales when measured within the Housing domain

The area has a vibrant cultural scene, with the internationally acclaimed Hay Festival held annually in Hay-on-Wye, and also the Brecon Jazz Festival held every August, as well as a plethora of local festivals and events taking place.

### **2.8.3 Educational Provision in Brecon and Gwernyfed Catchment Areas**

Brecon catchment area has seven primary schools – five of these are English-medium, one is Welsh-medium and one is a dual-stream school, one dual-stream secondary school (Brecon High School), one special school (Ysgol Penmaes) and one college campus (Brecon Beacons Campus). In January 2014 there were 1,059 primary pupils in the catchment (Reception to Year 6).

Gwernyfed catchment area has six English-medium primary schools and one English-medium secondary school (Gwernyfed High School). In January 2015 there were 646 primary pupils in the catchment area (Reception to Year 6).

Brecon High School is an 11-18 mixed comprehensive English-medium school with a small Welsh-medium stream. It is situated on the Penlan campus within the town of Brecon, adjacent to NPTC Group of Colleges of Colleges campus and Brecon Leisure Centre.

Pupils come from the town of Brecon and the surrounding rural area, in roughly equal proportions. They come from a wide variety of social backgrounds, ranging from relatively prosperous to economically disadvantaged.

The school intake represents the full range of ability. Five per cent have statements of special educational needs, which is higher than the national average of 2.6%. The school has an autistic spectrum disorder centre on site.

Approximately 10% of pupils speak Welsh as their first language or to an equivalent standard.

About 9% of pupils are from minority ethnic backgrounds and around 6% of pupils receive support teaching in English as an additional language.

The current headteacher took up his role in December 2014. He is joined by an acting deputy to make up the senior leadership team. The individual school budget per pupil for Brecon High School in 2014-15 means that the budget is £4148 per pupil. The average per pupil in the secondary schools in Powys is £4,055.

**Figure 4: Existing site plan**



Gwernyfed High School is an English medium 11-18 school located in the village of Three Cocks, situated between the small towns of Hay on Wye and Talgarth. Most pupils and students come from these towns and the very large rural surrounding area. Most pupils transfer to the school from the local primary schools. The catchment is very close to the Wales-England border.

Around 20% of pupils have a special educational need, which is similar to the national average. Nearly all pupils are from a White British background. There are only a few pupils who speak English as an additional language and very few pupils who speak Welsh at home.

The headteacher has been in post since September 2011. The leadership team is made up of a deputy headteacher and two assistant Headteachers. The individual school budget per pupil for Gwernyfed High School in 2014-15 means that the budget is £4,122 per pupil.

## 2.8.4 Quality of Education

### Brecon High School Standards

#### Strengths

- Recent performance in Level 2 English: In 2015, 85.2% of pupils achieved Level 2 English, 11.8 percentage points higher than performance in 2014. This is in the top 25% of similar schools (6.6 percentage points above the median). There has been an improving trend in Level 2 English performance over the past three years.
- GCSE outcomes in religious studies and art and design: In 2015, pupils in these subjects achieved significantly higher than their average performance in other subjects.
- Level 3 threshold performance: In 2015, 100% of pupils achieved Level 3 threshold. Performance has exceeded the local authority average for the past five years.
- Recent attendance: In 2015, attendance rose by 0.5 percentage points to 95%. This was in line with modelled expectations and in the higher 50% of similar schools for the first time in four years.

#### Areas to improve

- Level 2+: In 2015, 63.9% of pupils achieved Level 2+, 7.1 percentage points higher than performance in 2014 and 4.5 percentage points below the median. However, this remains in the bottom 25% of similar schools for the third successive year. Level 2+ performance has been in the lower 50% of similar schools for the past five years.
- Level 2 threshold: In 2015, 78.7% of pupils achieved Level 2 threshold, 5.7 percentage points lower than performance in 2014 and 11.5 percentage points below the median. The school has been in the bottom 25% of similar schools for four out of the past five years.
- Level 1 threshold: In 2015, 96.7% of pupils achieved Level 1 threshold, 2.6 percentage points lower than performance in 2014 and 2.4 percentage points below the median. The school has been in the bottom 25% of similar schools for four out of the past five years.
- Core subject indicator (CSI): In 2015, 59.8% of pupils achieved the CSI, 6.6 percentage points higher than performance in 2014 and 6.7 percentage points below the median. This remains in the bottom 25% of similar schools for the third successive year. CSI performance has been in the lower 50% of similar schools for the past five years.
- Average capped points score: In 2015, pupils achieved an average capped points score of 341.7, 6.1 points lower than performance in 2014. This is in the bottom 25% of similar schools (27.5 points below the median). Average capped points performance has been in the bottom 25% of similar schools for five successive years.
- Welsh First Language Level 2: In 2015, 75% of pupils achieved Level 2 English, 2.8 percentage points lower than performance in 2014. This is in the lower 50% of similar schools (0.5 percentage points below the median). Level 2 performance has been in the lower 50% of similar schools for four out of the past five years.

- Level 2 maths: In 2015, 68.9% of pupils achieved Level 2 maths, 5.6 percentage points higher than performance in 2014. This is in the bottom 25% of similar schools (4.5 percentage points below the median). Level 2 performance has been in the bottom 25% of similar schools for the past four years.
- Level 2 science: In 2015, 66.4% of pupils achieved Level 2 science, 17.8 percentage points lower than performance in 2014. This is in the bottom 25% of similar schools (25.5 percentage points below the median). Level 2 performance has been in the lower 50% of similar schools for the past five years.
- Provision for more able pupils: In 2015, 11.5% of pupils achieved 5 A\*-A. This was significantly lower than the family, local authority and Wales averages. Level 7+ performance is in the lower 50% of similar schools in many subjects.
- GCSE outcomes in information technology, French and German: In 2015, pupils in these subjects achieved significantly lower than their average performance in other subjects.
- Performance in the national numeracy procedural test was in the lower 50% of similar schools for a majority of indicators.

### **Gwernyfed High School Standards**

#### **Strengths**

- Science Level 2 outcomes: In 2015, 93% of pupils achieved Level 2 in science which placed performance in the higher 50% of similar schools for the fifth successive year.
- Maths Level 2 outcomes: In 2015, 73.3% of pupils achieved Level 2 in maths which placed performance in the lower 50% of similar schools, 0.1 percentage points below the median.
- Level 2 threshold outcomes: In 2015, 91.9% of pupils achieved Level 2 threshold which placed performance in the higher 50% of similar schools for the fourth successive year.
- Level 2 outcomes in art and design and media studies: In 2015, pupils in these subjects achieved significantly higher than their average performance in other subjects.
- In 2015, the school was placed in the upper quartile for nearly all performance indicators in national reading and numeracy tests.
- In 2015, a majority of subjects achieved Level 7+ performance that placed them in the higher 50% of similar schools.

#### **Areas to improve**

- Level 2+ and core subject indicator (CSI) performance: In 2015, 67.4% of pupils achieved Level 2+ and 66.3% achieved CSI. This places performance in the lower 50% of similar schools for the fourth time in five years for both performance indicators.
- English Level 2 outcomes: In 2015, the department achieved 76.7% Level 2, an increase of 1.5 percentage points since 2014. This places performance in the lower 50% of similar schools, 2.4 percentage points below the median.

- Level 2 outcomes in physical education and Welsh second language: Pupils achieved significantly lower in these subjects than their average performance in other subjects.
- Attendance: Attendance in 2014-15 remained 0.6% below modelled expectations, however, the negative differential was significantly lower than in 2012 and 2013. Raw attendance improved by 0.1 percentage points from last year, however, the school has dropped into the bottom 25% of similar schools (0.3 percentage points below the median).
- Modern foreign languages in key stage 3: In 2015, 88.6% of pupils achieved Level 5+ in modern foreign languages at the end of key stage three, a significant improvement since 2014 and broadly in line with the family average (91.8%). However, performance in Level 5+, 6+ and 7+ remains in the lower 50% of similar schools.

**A summary of both Brecon and Gwernyfed High Schools' categorisation in 2015 is:**

School	Standards Group	Improvement Group	Support Category
Brecon High School	3	C	Amber
Gwernyfed High School	3	B	Yellow

### 2.8.5 Pupil Numbers and Projections

Pupil numbers in both schools, in accordance with the overall Powys trend, have fallen significantly over the years. However, there has been recent growth in pupil numbers at Brecon High School and this trend is projected to continue. Gwernyfed High School pupil numbers are forecasted to decrease.

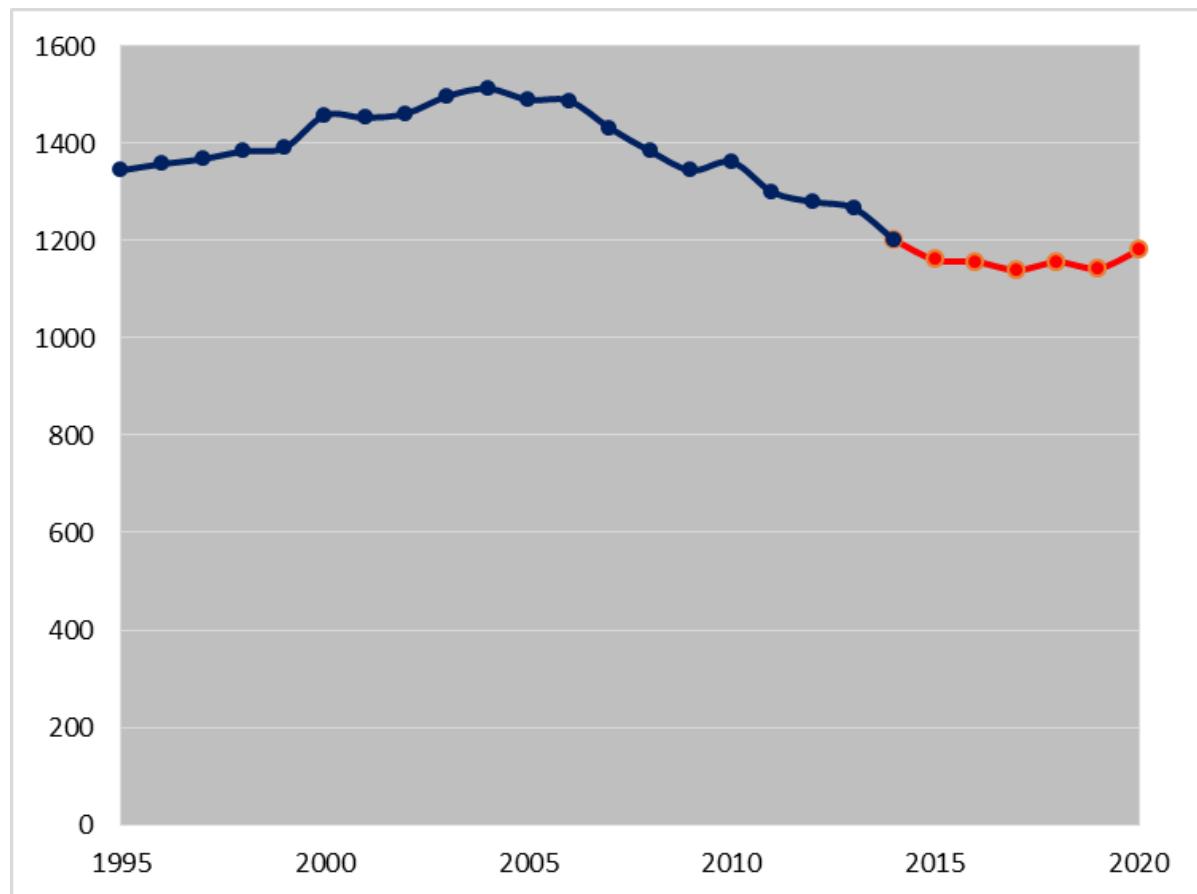
**Table 21: Pupil Projections at Brecon and Gwernyfed High Schools**

	2014	2015	7-year forecast	20-year forecast *
<b>Brecon High School</b>				
Total	714	647	878	857
Years 7 to 11	606	558	765	741
Years 12 to 13 (post 16)	108	89	113	116
<b>Gwernyfed High School</b>				
Total	487	486	445	436
Years 7 to 11	412	399	361	350

Years 12 to 13 (post 16)	75	85	84	86
<b>Combined Total of both schools</b>	<b>1201</b>	<b>1228</b>	<b>1323</b>	<b>1293</b>

\*(based on primary pupil numbers scaled for expected population change)

**Figure 5: Number of Pupils at both Gwernyfed and Brecon High Schools**



## 2.8.6 Surplus Places

There are 227 surplus places in Brecon High School, representing 26% of the total of the school and there are 110 surplus places in Gwernyfed High School representing 19.3% of the school.

## 2.8.7 Condition of Buildings

The condition of Brecon High School is very poor, scoring a D in the Welsh Government survey undertaken in 2009. The school has deteriorated further since then, with one block having to be taken out of service.

The poor condition of Brecon High School's buildings has a direct impact upon the school's ability to deliver its curriculum.

The buildings are designed around long, narrow corridors, with narrow stairways leading to restricted second floor classes. Movement is impeded, most severely for wheelchair users, and tensions at class changes are amplified. The form of the building impairs casual supervision and the high wall / floor ratio increases both maintenance and energy costs.

Elements of the building's external fabric are life expired, most significantly the flat roofs and windows. There are a large number of roof leaks around the school that have an immediate health and safety implication, as well as consequences on time-tabling as rooms or corridors become periodically unusable.

The windows are largely original, single glazed and metal framed. They require wholesale replacement as they do not offer adequate weather protection, ventilation, insulation, or solar control. Consequently, teaching in all of the rooms is disrupted to some degree.

The poor condition of the external fabric does not assist in the maintenance of a good internal environment, which was designed to standards much below those of today. The teaching spaces have poor acoustics, with high reverberation times and low sound reduction offered by walls or separating floors. The remainder of the school's fabric is dilapidated to a degree identified in the surveys, but the high level of backlog maintenance has required consideration to be given to mothballing areas of the school. The pressures identified above lead to a perception of the school as cramped and noisy, with poor conditions within the teaching spaces affecting curriculum delivery to an unacceptable standard.

Gwernyfed High School is comprised of a wide range of buildings arranged within extensive grounds. The original building was constructed as a Victorian mansion house and it now has a Grade II listing. Further blocks were added in 1962, 1992 and 2008. Consequently, the condition of Gwernyfed High School varies markedly dependent upon the age of the particular block. Overall, the condition is grade C, with a B/C suitability and grade C sustainability. However, this broad grading obscures the significant maintenance and operational difficulties presented by the older Victorian and 1960's buildings, relating to poor layout and adaptability as well as the presence of dry rot and asbestos containing materials.

The Disabled access compliance also differs significantly throughout the school.

- Block A – The original main house has very poor access. There is no lift to the upper floors, there are no accessible W. C's, there are steps up or down into the majority of classrooms, corridors and doorways are difficult to manoeuvre around/through.
- Block B – The majority of entrances have steps and no ramps. There are steps throughout the building which limit circulation. There is no accessible W.C in this block.
- Block C – Difficult access into the building. There is an accessible W.C in the block but is limited in size and is basic. Access throughout the building is limited due to double doors, which are not wide enough and should be replaced by a door and a half type door.
- Block D – Excellent access into and throughout the building. There is an excellent accessible W.C and a separate accessible W.C and changing area.
- Sports Hall and associated areas – The area has been upgraded in recent years and now has an accessible W.C and changing area.



**Table 22: Condition of Buildings**

School Name	Condition	Suitability	Sustainability
Brecon High School	D	D	D
Gwernyfed High School	C	B/C	C

### 2.8.8 Welsh-medium Education

Primary Welsh-medium education in the catchment is delivered at

- Ysgol y Bannau (Welsh-medium school of 143 pupils (reception to Year 6) in January 2015)
- Sennybridge CP School (dual-stream school of 112 pupils in January 2015, with 42 pupils in the Welsh stream)

Pupils from Ysgol y Bannau transfer to Brecon High School's Welsh-medium stream in Year 7 or Builth Wells High School, whilst most Welsh-medium pupils from Sennybridge CP School transfer to Ysgol Gyfun Ystalyfera in NPTC.

Brecon High School has a very small Welsh stream. It is categorised as a Category 3 school according to the Welsh Government's definition of Welsh-medium schools, which means that it is 'predominantly English with an extensive use of Welsh'. The closest alternative secondary Welsh-medium provision in Powys is at Builth Wells High School, which is a dual-stream Category 2B School. The following tables shows the pupil numbers in both schools and the percentage of the curriculum taught through the medium of Welsh in September 2014:

**Table 23: Number of pupils per school**

Year	Brecon High School			Builth Wells High School		
	WM	EM	Total	WM	EM	Total
7	14	93	M13%)	18	54	72 (WM 25%)
8	13	93	M 12%)	23	64	87 (WM 26%)
9	9	92	M 9%)	28	60	88 (WM 32%)
10	8	125	M 6%)	21	70	91 (WM 23%)
11	9	112	121 (WM 7%)	17	63	80 (WM 21%)

**Table 24: Percentage of curriculum taught through the medium of Welsh**

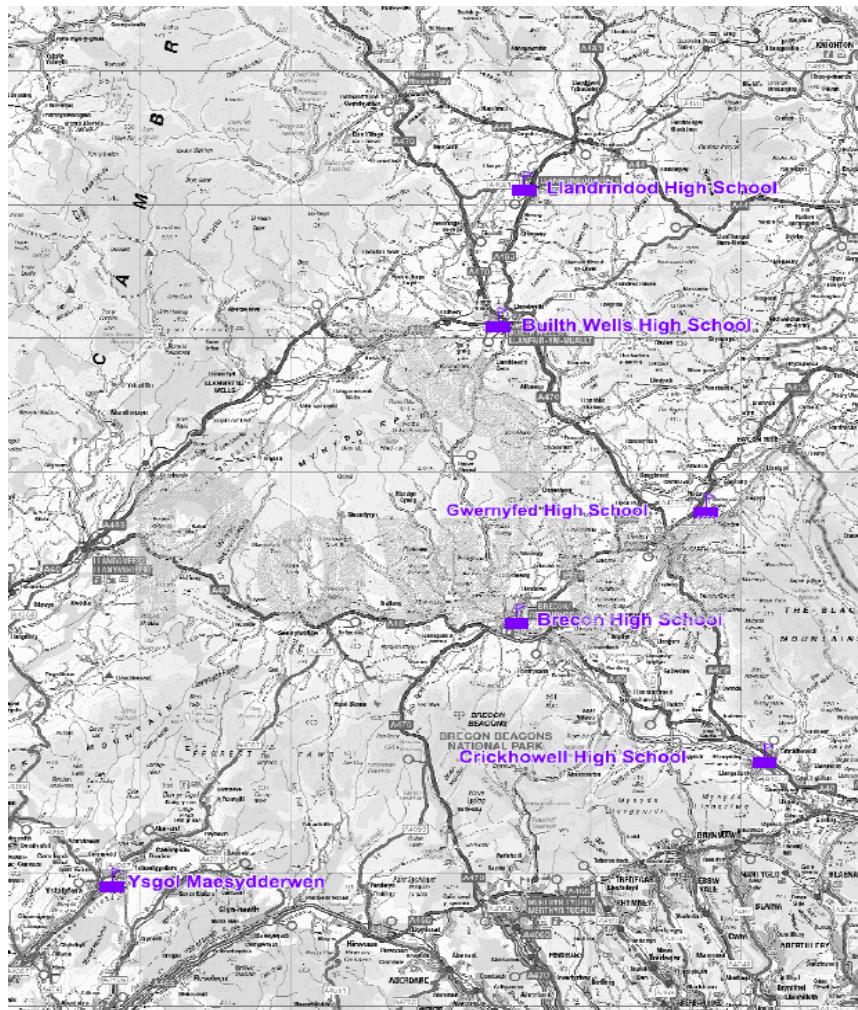
Year	Brecon High School		Builth Wells High School	
	% of subjects taught in Welsh	% of curriculum taught in Welsh	% of subjects taught in Welsh	% of curriculum taught in Welsh
7	64%	70%	75%	70%
8	64%	70%	75%	70%
9	64%	70%	75%	70%
10	16%	44%	48%	82%
11	21%	62%	40%	82%

The size of both streams makes it difficult for the schools to provide full linguistic continuity and a range of subjects throughout all key stages.

### 2.8.9 Post-16 Education in South Powys - Schools' Sector

Post-16 education in South Powys is provided at all six secondary schools. They vary in size from the largest sixth form at Crickhowell High School with 171 pupils in January 2015, to the smallest at Ysgol Maesydderwen, Ystradgynlais, which has 58 pupils.

**Figure 6: Map showing the location of the six secondary schools in South Powys**



The Authority provides funding for post-16 provision based on an agreed formula allocation. Having received a 10% cut in its funding from Welsh Government in 2014/15, schools in Powys had to reduce the number of subjects they were able to offer, which has had an impact on the overall size of the post-16 offer in the county. Some schools are now only able to offer a core curriculum. The following table shows the number of pupils and funded subjects for September 2015 in South Powys schools.

**Table 25: No. of pupils and funded subjects**

School	Jan-15	No. of subjects funded Sept 2015
Brecon High School	89	12
Builth Wells High School	99	17.5
Gwernyfed High School	85	11
Ysgol Maesydderwen	58	13
Crickhowell High School	171	23
Llandrindod High School	78	11

The Learning and Skills Measure (Wales) 2009 requires all post-16 learners to have access to 30 subjects, including 5 vocational subjects. To facilitate this, a partnership has been developed between schools in South Powys and NPTC Group of Colleges – the South Powys Post-16 Consortium. All learners can choose from a joint-curriculum of options within the South Powys Posts-16 Prospectus. However, they have to travel to different schools or to the College for some of these subjects -the Authority funds inter-school transport from its 14 – 19 Grant. The current South Powys Post-16 Prospectus is outlined in the table below:

**Table 26: Joint curriculum for South Powys post 16 learners (March 2015)**

	A	B	C	D	E
Crickhowell High School	Chemistry Law Psychology Performing Arts	French Welsh Religious Studies PE Music	Biology ICT OCR Art DT German Maths Mechanics	Business Studies English Lit History Physics	Geography English Lit Health and Social Care Maths Statistics
Gwernyfed High School	A English Chemistry	B Media Studies Physics Art	C Geography Sociology	D Maths History	E Business Studies Biology
Llandrindod High School	A Biology Computing	B Chemistry English Lit/Lang PE	C History Physics	D Maths Art	E Geography Welsh

	A	B	C	D	E
Brecon High School	English Lit/Lang Chemistry	Media Studies Physics Geography	Art Sociology	History Maths	Business Studies Biology
	A	B	C	D	E
Sydderwen High School	Maths Media Studies	Biology Welsh Geography	Art ICT French	English Lit/Lang Product Design Chemistry	History Physics
	A	B	C	D	E
High School	Cymraeg DT English	Hanes French Maths Health & Social	Cerddoriaeth Daearyddiaeth Biology Geography Music	Art Physics Hospitality BTEC Welsh	Dylunio Drama History Chemistry
	A	B	C	D	E
NPTGC (Brecon College)		Performing Arts Btec IT Btec	Health and Social Btec Business Btec	Public Services Btec Psychology Btec	Sport Science Btec

Estimated Welsh Government post-16 funding projections for the next two years suggest that there will be a further 5% decrease in available funding, which will lead to a further reduction in the options available in South Powys. There is already evidence that a significant number of post-16 learners are choosing to travel to out-of-county providers for post-16 provision, and it is expected that this trend will continue if the menu of provision in South Powys continues to reduce.

In contrast, Crickhowell High School is attracting an increasing number of learners into its sixth form from neighbouring counties, which has led to a significant increase in numbers, allowing the school to put on a wide range of post-16 options.

## 2.8.10 Post-16 Education in South Powys - Brecon Beacons Campus, NPTC Group of Colleges

Brecon Beacon Campus offers a range of academic and vocational courses to post 16 learners in Brecon. There are currently 1320 learners (395 full time, 775 part-time, 90 aged 14-16 and 60 aged 16-19) attending Brecon Beacons Campus.

As from September 2015, the College will be offering up to 22 new AS and A level courses from its Brecon Campus. Whilst there is some duplication with the subjects already delivered in South Powys schools, the curriculum will include additional subjects such as economics, fine art, French, graphics, ICT, law, further maths, photography, Spanish, PE and Welsh 2<sup>nd</sup> Language.

The annual projected numbers of learners at Brecon Campus up until 2018 is estimated to remain fairly static. Considering the demographics in the area, these projections allow for a slight percentage increase in the share of post 16 learners in South Powys, along with a slight decrease in the total number of learners in South Powys.

**Table 27: Learner Numbers and Projections at Brecon Beacons Campus, NPTC Group of Colleges**

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Full time	356	364	405	401	403	395	408	394	380	378	363
Part time	1238	1046	979	849	848	775	772	763	752	741	732
16-19 school link	11	18	50	75	61	66	69	66	65	64	62
14-16 school link	88	119	94	116	90	79	62	56	56	55	53
Total	1693	1547	1528	1441	1402	1315	1311	1279	1253	1238	1210

The college currently offer no full-time courses in Welsh, but certain course modules can be taken in Welsh.

The College currently offers 28 full time courses, 4 14-16 Futures Programme courses, 9 16-19 courses to South Powys secondary schools and 29 part-time courses.

To increase the number of learners attending the college, it is necessary to broaden the curriculum offer to include subjects which learners traditionally travel to England for. Such subjects would include Art and Design, Engineering, Electronics and Hospitality and Catering, which are currently only offered in Newtown, along with more A level subjects.

The College has continued to develop the curriculum to meet the needs of learners and employers. Curriculum developments include:

- The expansion of the Advanced Welsh Baccalaureate offered alongside many level 3 BTEC full-time programmes and the introduction of the New Welsh Baccalaureate in September 2015.
- The introduction AS level options for first delivery in September 2015

- The expansion of Higher Education to include Foundation Degrees and new Honours Degrees in Business and IT, English and History and Childhood Studies; with further expansion to include Foundation Degrees in Care and in Sports Coaching & Performance planned for September 2015.
- An increased focus on ensuring full-time programmes develop employability skills and enhance learner progression rates into employment and onto apprenticeships and meet fully the requirements of the new 'learning programmes'.

In addition, the Brecon Beacons Campus and COLLEGE site are also restricted with the layout, utilisation and development of the sites. Both sites have an overall condition category of B/C. Overall, the accommodation is not able to keep pace with technological developments and the curriculum needs of young people in Brecon.

#### **2.8.11 Regeneration of Area**

The vision for the Brecon and Hay-on-Wye areas over the next 15 years is to be internationally recognised as a place synonymous with inspirational activity, linked to local excellence in the creative arts and the inspiring experience of the landscape setting. The cultural kudos of the jazz festival exerts a strong influence which will help colour the town beyond the limits of the actual festival period, contributing to the strong and vibrant tourist economy within the town.

The disparity in wealth and deprivation levels in some parts of the area will be counteracted through strong local action to provide a wider range of employment options and to address the standard of residential accommodation. A wide range of people will live and work within the area; new housing will be needed to cater for this diverse range of people.

The Authority has a multi-strand approach to regenerating the area. Two principle strategies are the development of the Beacons Campus and the Powys Local Asset-backed Vehicle. (LABV).

The Beacons Campus proposes a significant investment supported by Welsh Government, with Powys working in partnership with NPTC Group of Colleges to create state of the art educational facilities. In the short term this will provide construction and professional jobs in the local area and in the long term it will serve as an educational catalyst equipping learners in South Powys with the tools needed to succeed in a competitive employment market.

The Powys LABV will act as a regeneration tool to regenerate an area by facilitating development projects. It will lead to sites being developed and listed buildings being reused, thereby reducing the repairs and liabilities costs of many Authority buildings. Powys' building estate will be rationalised, creating both permanent and part time job opportunities, generating inward investment and in so doing enhancing the public realm.

The Authority, through the 21<sup>st</sup> C Schools Programme, is also investing in building new primary schools in the current Gwernyfed catchment area.

**Table 28: Problems with Current Arrangements for the sites**

• Site	• Problems associated with current arrangements
• <b>Brecon High School</b>	<ul style="list-style-type: none"> <li>• Condition D (end of life, contains asbestos)</li> <li>• Threat to continuity of service</li> <li>• Unsuitable educational premises in condition and arrangement</li> <li>• 26% surplus places</li> <li>• Backlog maintenance of £15.M</li> <li>• School in ‘Special Measures’</li> <li>• Closest Welsh Medium provision is at Ystalyfera (with Neath Port Talbot County Borough Council) or Ysgol Gyfun Gwynllwyw (Torfaen County Borough Council).</li> <li>• Competition from Christ College Brecon (Private Sector)</li> <li>• Low number of Welsh Medium (WM) Primary schools, leading to low numbers in WM stream at Brecon High School – with the closest dual stream school situated in Sennybridge, some 10 miles away</li> <li>• Limited progression for WM learners into KS4 and none in KS5 on site</li> <li>• Limited curriculum offered at KS4 and KS5</li> <li>• Offering is traditional and narrow in focus (academic) at Post 16</li> <li>• Insufficient car parking on site</li> <li>• Does not utilise own leisure space due to poor facilities – resulting in a drain on leisure centre facilities</li> <li>• Existing external leisure facilities are distant from changing rooms/school</li> <li>• Lack of identified dedicated facilities for 3<sup>rd</sup> party agencies</li> <li>• Lack of connectivity across whole of site</li> <li>• Poor public transport links</li> <li>• Pedestrian access is challenging</li> <li>• Not Protected Characteristic under Equality Act 2010 compliant</li> <li>• Poor energy efficiency</li> </ul>
• <b>Gwernyfed High School</b>	<ul style="list-style-type: none"> <li>• Condition B/C</li> <li>• Compliance C</li> <li>• Main building over 100 years' old</li> <li>• Unsuitable educational premises in condition and arrangement</li> <li>• 19.3% surplus places</li> <li>• Backlog maintenance of £3.721M</li> <li>• School provision is ‘adequate’</li> <li>• Border position means that learners may go out of County</li> <li>• No WM provision</li> </ul>

• Site	• Problems associated with current arrangements
	<ul style="list-style-type: none"> <li>• Limited curriculum offered at KS4 and KS5</li> <li>• Offering is traditional and narrow in focus (academic) at Post 16</li> <li>• Lack of identified dedicated facilities for 3<sup>rd</sup> party agencies</li> <li>• Poor public transport links</li> <li>• Not Protected Characteristic under Equality Act 2010 compliant</li> <li>• Poor energy efficiency</li> </ul>
• Brecon Beacons Campus, NPTC Group of Colleges	<ul style="list-style-type: none"> <li>• Split site over an A-Road</li> <li>• Category B/C overall (cusp C)</li> <li>• Significant backlog maintenance (£1.5m)</li> <li>• Linear layout is problematic – no central core for learner services</li> <li>• Lack of specialist vocational space in key curriculum areas – could be problematic for the local economy e.g. catering for the tourism industry</li> <li>• Site limits development opportunities</li> <li>• Poor car parking</li> <li>• Lack of public transport outside of the core college day</li> <li>• Pedestrian access is challenging</li> <li>• No sport facilities on site – need to access AstroTurf, etc.</li> <li>• Large numbers of learners leave County to access curriculum not currently delivered (e.g. Art &amp; Design)</li> <li>• Limited social and recreational space (learners)</li> <li>• Limited ability to meet the need of employees through additional services (e.g. business incubation units)</li> <li>• A short College day (due to limited transport links)</li> <li>• LRC and refectory on separate extremities and not close to each other or to other aspects of support</li> <li>• M&amp;E of the building is quite old and not very efficient</li> <li>• Thermal efficiency of the building is poor by modern standards</li> <li>• Old-fashioned and unsuitable northern part of the main block which includes the main entrance. This is not very attractive to learners (FE and HE) and commercial clients.</li> <li>• Poor first impression and no sense of arrival</li> <li>• Lack of critical mass to ensure a full A Level / vocational offer is available at one location in South Powys</li> </ul>

- Condition Grading:
- A • → • Good – No deterioration
- B • → • Satisfactory – Minor deterioration

- C • → • Poor – Major deterioration
- D • → • Bad – Life Expired

**Table 29: Investment Objectives, Current Position and Business Needs**

• <b>Investment Objective</b>	• <b>Current Position</b>	• <b>Business Need</b>
1. To improve the learning outcomes for pupils and learners across the ability range	<ul style="list-style-type: none"> <li>• Brecon High School in special measures</li> <li>• Gwernyfed received an 'adequate' judgement from Estyn but is an improving school which has been categorised as a 'yellow' school in the recent categorisation by WG.</li> <li>• Estyn states that learner outcomes are 'adequate' and therefore below the Estyn quality threshold</li> <li>• School premises conditions D (Brecon HS) and B/C (Gwernyfed HS) – mean that existing facilities do not support better learning outcomes</li> <li>• Working conditions and business continuity are a cause for concern at Brecon HS, with significant backlog maintenance issues</li> <li>• School spending has an emphasis on the building infrastructure rather than learners</li> <li>• College outcomes are sector leading and NPTC Group of Colleges are now offering a broader range of A levels (than either Brecon or Gwernyfed High Schools) from its Brecon campus</li> <li>• </li> </ul>	<ul style="list-style-type: none"> <li>• Excellent learning outcomes at all key stages/phases</li> <li>• Strong leadership and effective management</li> <li>• A learning centre that supports delivery of good learning experiences and outcomes</li> <li>• New facilities focus expenditure on the learning experience</li> <li>• Leisure facilities that supports and underpins the learner experience</li> <li>• Continuity of sector leading college outcomes</li> <li>• A broader range of subjects offered to students Post 16</li> </ul>
2. To provide a progressive and innovative curriculum that is responsive to the	<ul style="list-style-type: none"> <li>• Narrow choice of A levels available at both schools,</li> <li>• Travel implications on learners to access a wider</li> </ul>	<ul style="list-style-type: none"> <li>• Increased availability of academic and vocational curriculum in Brecon and South Powys</li> </ul>

<b>• Investment Objective</b>	<b>• Current Position</b>	<b>• Business Need</b>
needs of learners, communities and Powys and the wider economy	<p>academic curriculum</p> <ul style="list-style-type: none"> <li>● Vocational curriculum offer too narrow to meet the needs of all learners and employers</li> <li>● Learners travel out of County to access unavailable vocational options</li> <li>● WM curriculum is narrow in KS3 and KS4 at Brecon High School with no post-16 WM at the school.</li> <li>● College premises are condition B/C but not of adequate size to deliver the relevant sized curriculum</li> </ul>	<ul style="list-style-type: none"> <li>● Minimise travel implications for learners within the school/college day</li> <li>● Provide a suitable vocational curriculum to meet the needs of employers and relevant learners in South Powys</li> <li>● To increase the WM curriculum opportunities for those learners that live in South Powys (ensuring equitable progression opportunities)</li> <li>● College/school premises that reflect and can adapt to the changing demands of academic and vocational education</li> <li>● A curriculum that encourages and nurtures enterprise</li> </ul>
3. To provide post 16 education that embraces academic and vocational approaches and which optimises the Learning Skills Measure	<ul style="list-style-type: none"> <li>● Learning Skills Measure met for Post 16 through collaboration with the College and other schools in South Powys</li> <li>● Significant risk of not being able to meet the measure Post 16 due to financial restrictions</li> <li>● No WM or bilingual provision currently delivered in Brecon, with limited provision in South Powys</li> <li>● In-day travel provides a barrier to real choice</li> </ul>	<ul style="list-style-type: none"> <li>● To provide real choice for learners</li> <li>● To meet the Learning Skills Measure within the available funding</li> <li>● To provide an appropriate range of choice for WM or bilingual learners</li> <li>● </li> </ul>
4. To provide a stimulating teaching and learning environment in 21st Century facilities centred on the learning, self-esteem and well-being of all learners	<ul style="list-style-type: none"> <li>● Wide range of buildings on disparate sites (Brecon and Gwernyfed) in varying conditions (some life expired)</li> <li>● Lack of capacity in some areas – excess capacity in others</li> <li>● Brecon HS building not fit for purpose</li> <li>● Significant backlog</li> </ul>	<ul style="list-style-type: none"> <li>● Buildings assessed as category A or B condition</li> <li>● Flexible spaces</li> <li>● Buildings that meet requirements (i.e. built to capacity)</li> <li>● Fit for purpose buildings</li> <li>● 21st Century teaching, social and recreational facilities</li> <li>● Fit for purpose technology</li> <li>● Minimised Health and safety</li> </ul>

<b>• Investment Objective</b>	<b>• Current Position</b>	<b>• Business Need</b>
	<p>maintenance costs at Gwernyfed HS</p> <ul style="list-style-type: none"> <li>● Limited opportunity for remodelling in both schools</li> <li>● Poor social and recreational facilities at Brecon HS</li> <li>● Lack of flexibility in space</li> <li>● User technology not fully developed</li> <li>● Managed Health and Safety risk at Brecon HS</li> <li>● Protected Characteristic under Equality Act 2010</li> <li>● Lack of facilities to provide appropriate holistic, multi-agency support for learners and their families at Brecon HS</li> </ul>	<p>issues</p> <ul style="list-style-type: none"> <li>● Protected Characteristic Under Equality Act 2010 compliance</li> <li>● Community focussed facilities</li> <li>● Re-use existing facilities where appropriate</li> </ul>
5. To support the authority's aim of reducing surplus places in schools	<ul style="list-style-type: none"> <li>● 26% of surplus places in Brecon High School</li> <li>● 19.3% surplus places in Gwernyfed High School</li> <li>● 15.2% surplus in Powys – with a forecast of 28.5% by January 2017</li> </ul>	<ul style="list-style-type: none"> <li>● To provide a facility that meets projected demand and is within agreed WG agreed targets</li> <li>● </li> </ul>
6. To achieve efficiencies (economic and environmental) through economies of scale and governance arrangements	<ul style="list-style-type: none"> <li>● Buildings not environmentally sustainable – high energy and maintenance costs</li> <li>● Multiple management and support arrangements</li> <li>● Multiple facilities</li> <li>● Brecon High School has deficit budget (including temporary loan arrangements)</li> <li>● Expensive WM and bilingual provision</li> <li>● Expensive travel to learn cost for Post 16 academic in Powys</li> <li>● Extensive travel arrangements increase CO2</li> </ul>	<ul style="list-style-type: none"> <li>● BREEAM excellent building to minimise environmental / maintenance / energy cost</li> <li>● Integrated management, support and operational arrangements</li> <li>● Co-ordinated facilities management</li> <li>● Shared facilities where appropriate</li> <li>● School element to operate a balanced budget</li> <li>● To plan and deliver WM and bilingual provision in the most efficient manner for South Powys learners.</li> <li>● To maximise Value for Money in travel arrangements</li> </ul>

• Investment Objective	• Current Position	• Business Need
	emissions	<ul style="list-style-type: none"> <li>• To minimise the need for inter site travel and have access to additional learning experiences and opportunities.</li> </ul>

## 2.9 Potential Business Scope and Key Service Requirements

This section describes the potential business scope and key service requirements for the project in relation to the above business needs. The business scope and service requirements identified within the two following tables provide the ranges within which options are considered in the economic case. The proposed initiatives identified and short-listed within this document will seek to address all of these requirements.

**Table 30: Business Scope**

Scope	Detail
<b>Core (minimum)</b>	<ul style="list-style-type: none"> <li>• A new secondary school and adult learning for the wider community of an appropriate size, which meets most 21st Century standards (however organised – either 6th form and college or Tertiary)</li> <li>• High quality teaching and learning</li> <li>• Standard ICT infrastructure</li> <li>• Appropriate teaching and support staff structure and ancillary staff structure</li> <li>• Appropriate management structure which supports better leadership</li> <li>• Appropriate curriculum for all learners, the community and business community</li> <li>• Appropriate range of industry standards fully up to date specialist vocational skills areas/ workshops</li> <li>• Efficient and effective funding arrangements; Appropriate provision for vulnerable families and learners</li> <li>• Integrated transport links including safe walking and cycling routes within communities</li> <li>• BREEAM excellent</li> <li>• Access for the wider community</li> <li>• Flexibility to accommodate future change</li> </ul>
<b>Desirable (Intermediate)</b>	<ul style="list-style-type: none"> <li>• A new integrated learning centre which includes statutory secondary provision and post-16 provision which meets all 21st Century school standards</li> <li>• Enhanced ICT facilities to support teaching and learning throughout learning centre</li> <li>• Enhanced ICT facilities to support the management and administration of the</li> </ul>

Scope	Detail
	<ul style="list-style-type: none"> <li>learning centre</li> <li>• Zoned and bespoke facilities for enhanced learning, leisure and the community - during and after core hours</li> <li>• Highly effective links with the business community and world of work (employability, enterprise and entrepreneurship)</li> <li>• Professional standard facilities to meet the needs of commercial training customers and our HE provision.</li> <li>• Community focussed facility with multi-agency working and third sector organisations</li> <li>• Sporting and cultural facilities available for community use</li> <li>• Flexible meeting spaces for community groups, multi-agency working and third sector organisations</li> <li>• Inherent flexibility to accommodate future change</li> <li>• Improved transport links to the campus</li> </ul>
Optional (Maximum)	<ul style="list-style-type: none"> <li>• A new integrated learning centre, which includes statutory secondary provision and post-16 provision which exceeds 21st Century school standards</li> <li>• First class ICT facilities to support teaching and learning throughout learning centre</li> <li>• First class ICT facilities to support the management and administration of the learning centre</li> <li>• Bespoke pedestrian and transport links</li> <li>• Co-location of multi-agency and Council services</li> <li>• Brecon facility that is carbon neutral and an environmental flagship</li> <li>• A facility that operates 365 days per year for the benefit of Brecon and the wider South Powys community</li> <li>• Modularised design for future adaptation and flexibility</li> <li>• Outstanding sporting and cultural facilities available for fully integrated community use year round</li> </ul>

**Table 31: Service Requirements**

Scope	Educational	Buildings
Core (minimum)	<ul style="list-style-type: none"> <li>• Curriculum that meets the need of learners, employers and the local community</li> <li>• Curriculum that meets statutory National Curriculum requirements and the Learning Skills Measure</li> <li>• Improve performance and outcomes at KS3, KS4 and A levels</li> </ul>	<ul style="list-style-type: none"> <li>• To provide a school element (of the learning centre) of an appropriate size to meet BB98/99 area guidelines to form the basis of the design but applied flexibly</li> <li>• A building/buildings that provide a safe, healthy and accessible work and learning environment</li> </ul>

Scope	Educational	Buildings
	<ul style="list-style-type: none"> <li>● Post 16 vocational performance and outcomes above national comparator</li> <li>● Informal and non-formal learning activities that promote learning, employability and engagement leading to improved outcomes and progressions</li> <li>● Teaching and learning that support the needs of learners and aspirations of the literacy and numeracy framework and digital future</li> <li>● A support programme to ensure learners wellbeing and self- esteem</li> <li>● Structure that supports effective leadership and management</li> <li>● Appropriately qualified and experienced teaching, support and managerial staff</li> <li>● Development of pupils' key skills</li> <li>● Appropriate ratio of teaching and support staff to learners</li> <li>● A programme for the training and development of staff</li> <li>● Provision for ALN/SEN learners within statutory requirements</li> <li>● Support, administrative and technical staff structure</li> <li>● Modern Learning Resource Centre</li> <li>● Access to online resources</li> <li>● Professional courses</li> <li>● Higher Education</li> </ul>	<ul style="list-style-type: none"> <li>● Sustainable design – BREEAM excellent and low carbon footprint</li> <li>● Attractive design that reflects the National Park environment, making it a venue of choice for the community and commercial operators</li> <li>● Simplified asset management systems</li> <li>● Flexibility in the use of the asset</li> <li>● ICT infrastructure to support effective teaching, learning and management systems</li> <li>● Building that reflects industry standards and provides realistic working environments (to support vocational provision)</li> <li>● Appropriately sized and accessible external facilities</li> <li>● Wet sprinkler installation</li> <li>● Areas that can be utilised by the Community</li> <li>● Internal and external assembly spaces (e.g. hall, dining area)</li> <li>● Appropriate staff facilities (e.g. flexible working area, with hot desk 'pods') and recreation area</li> <li>● Recreation area for students – with TVs, Pool Table(s) and comfortable furniture</li> <li>● Sufficient and appropriate toilets</li> <li>● Central and local storage (internal and external)</li> <li>● General administrative and support accommodation</li> <li>● Modern production kitchen and dining facilities (refectory)</li> </ul>

Scope	Educational	Buildings
		<ul style="list-style-type: none"> <li>• External spaces in line with BB98/99 and Learning Through Landscapes' recommendations</li> <li>• Safe access, secure staff/visitor parking and segregated vehicular/pedestrian movement</li> <li>• Drop off zone for buses, taxis (etc.)</li> <li>• External space for cycle racks and showers for cyclists.</li> <li>• Compliance with all H&amp;S legislation</li> <li>• High levels of natural light and ventilation throughout</li> <li>• Acoustic design to follow recommendations of BB93</li> <li>• Appropriate levels of controlled/zoned heating and lighting to facilitate community and external use during and outside of the normal school day</li> <li>• Appropriate communication systems</li> <li>• Good infrastructure</li> <li>• Flexible classroom space(s)</li> <li>• Break out space(s)</li> <li>• Classrooms fitted with smart boards</li> <li>• Space for commercial activities (e.g. coffee shops, hair salons, other retail outlets and conference rooms)</li> <li>• WIFI available throughout the campus, with access / support for learners own devices</li> <li>• Catering facilities, with health eating options</li> <li>• Opportunities for vocational</li> </ul>

Scope	Educational	Buildings
		<p>outlets/work based learning facilities</p> <ul style="list-style-type: none"> <li>● Renewable and sustainable energy source</li> <li>● Secure financial facilities</li> <li>● Recycling compound</li> <li>● Medical room</li> <li>● Free ATM</li> <li>● Prayer / diversity room</li> <li>● Sensory room</li> <li>● Outside seating area (covered and uncovered)</li> <li>● Robust building</li> <li>● Flexibility and adaptability of spaces</li> <li>● Video conferencing facilities</li> <li>● Gym facilities</li> </ul>
Desirable (intermediate)	<ul style="list-style-type: none"> <li>● Promotes and enhances links with the business community and world of work (employability, enterprise and entrepreneurship)</li> <li>● Community focussed facility supporting multi-agency working and third sector organisations</li> <li>● Increased curriculum that meets the wider needs of learners, employers and the local community</li> <li>● Continuously Improved performance and outcomes at KS3, KS4 and A levels</li> <li>● Post 16 vocational performance and outcomes significantly above national comparator</li> <li>● Integrated informal and non-formal learning activities that promote learning, employability and engagement leading to improved</li> </ul>	<ul style="list-style-type: none"> <li>● Reduced running costs/operational expenditure</li> <li>● Simplified day to day management</li> <li>● High degree of energy efficiency</li> <li>● Co-ordinated facilities management</li> <li>● Zoned and bespoke facilities for flexible learning and community use</li> <li>● Adaptable and flexible construction</li> <li>● Enhanced ICT infrastructure and connectivity (to support teaching and learning)</li> <li>● A fully integrated ICT-rich learning environment combining fixed work areas and wireless</li> </ul>

Scope	Educational	Buildings
	<p>outcomes and progressions</p> <ul style="list-style-type: none"> <li>● Excellent teaching and learning that support the needs of learners and aspirations of the literacy and numeracy framework and digital future</li> <li>● An integrated programme to promote and enhance learners wellbeing and self-esteem;</li> <li>● Structure that promotes effective leadership and management (reflecting the requirements of the WG distributed leadership programme)</li> <li>● Centre that attracts best qualified and most experienced staff</li> <li>● Effective ratio of teaching and support staff to learners</li> <li>● A structured programme of training and development for all staff linked to school's strategic priorities</li> <li>● Pupil voice / learning centre council informing aspects of teaching and learning and curricular planning</li> <li>● Integrated planning and promotion of pupils' key skills across the curriculum</li> <li>● Opportunities for pupil centred learning</li> <li>● Enhanced provision for ALN/SEN learners</li> <li>● Collaboration with the community and partner agencies, e.g. Health, Social Services</li> <li>● Provision for overseas students (for College)</li> </ul>	<p>connectivity</p> <ul style="list-style-type: none"> <li>● Appropriate ICT hardware, based on subject studied (e.g. iMAC for design based courses)</li> <li>● Community Focused learning centre</li> <li>● Highly flexible and adaptable accommodation to meet the demands and expectations of 21st Century teachers / lecturers / support staff and learners</li> <li>● Flexible internal and external assembly spaces (e.g. hall, dining areas)</li> <li>● Enhanced staff facilities including confidential meeting rooms and PPA areas</li> <li>● High quality pupil toilet facilities appropriately distributed that can be readily supervised</li> <li>● General administrative and support accommodation appropriately located, sufficient in size and number</li> <li>● Modern production kitchen and dining facilities to promote healthy lifestyles</li> <li>● Integrated communication systems</li> <li>● Effective infrastructure</li> <li>● Enhanced accommodation to provide for greater collaboration with partner and third sector organisations</li> <li>● Provide a Multi-Use Games Area (MUGA)</li> <li>● Lecture theatre</li> <li>● Music facilities, equipment and practice rooms</li> </ul>

Scope	Educational	Buildings
		<ul style="list-style-type: none"> <li>• Photography facilities (e.g. dark room and studio)</li> <li>• Art and design facilities</li> <li>• Business advice centre (business germination units)</li> <li>• Student enterprise facilities</li> <li>• Outdoor teaching space</li> <li>• Spa facilities</li> <li>• Language laboratories</li> <li>• CCTV as a security feature for student and public safety</li> <li>• Learner services easily accessible around the central hub / core of the building to enhance the learner / visitor experience.</li> <li>• Flexible space for partner services</li> <li>• Drama / dance studio</li> <li>• Workshops for engineering</li> </ul>
Optional (maximum)	<ul style="list-style-type: none"> <li>• Maximised links with the business community and world of work (employability, enterprise and entrepreneurship)</li> <li>• Facility with multi-agency delivery which is fully integrated into the community</li> <li>• Optimised curriculum that meets the needs and aspirations of learners, employers and the local community</li> <li>• Sector leading performance and outcomes at KS3, KS4 and A levels</li> <li>• Sector leading Post 16 vocational performance and outcomes</li> <li>• Embedded informal and non-formal learning activities that promote learning, employability and engagement leading to improved</li> </ul>	<ul style="list-style-type: none"> <li>• Master-plan design for centre – for now and the future</li> <li>• Iconic (land-mark) design</li> <li>• Beacon facility that it is carbon neutral and an environmental flagship</li> <li>• Renewable technologies on building</li> <li>• Optimised running costs/operational expenditure</li> <li>• Optimised facilities management</li> <li>• First Class ICT infrastructure and connectivity</li> <li>• Using new school / college facilities in tandem with the local community to provide new</li> </ul>

Scope	Educational	Buildings
	<p>outcomes and progression to FE, HE, training or employment</p> <ul style="list-style-type: none"> <li>● Sector leading teaching and learning</li> <li>● A fully embedded programme to promote and enhance learners wellbeing and self -esteem (ensuring access to specialist support and advice, available to all learners)</li> <li>● A Structure that embeds effective leadership and management (reflecting the requirements of the WG distributed leadership programme with a relentless focus on improving learner outcomes)</li> <li>● Centre that gets and retains best qualified and most experienced staff</li> <li>● Access to sport and leisure facilities that optimise curriculum delivery and offer additional learning opportunities</li> <li>● Self-financing campus run transport</li> <li>● A facility that maximises access throughout the year for the benefit of Brecon and the wider South Powys community</li> <li>● A structured programme of extensive training and development for all staff linked to the learning centre's strategic priorities</li> <li>● Pupil voice / learning centre council informing curricular planning, delivery and evaluation of provision</li> <li>● Integrated planning and promotion of pupil key skills maximising learning opportunities across the curriculum including pupil centred learning</li> <li>● Enhanced SEN/ALN provision</li> <li>● Extensive collaboration with the community and partner agencies</li> <li>● Community IT resource base</li> </ul>	<p>learning opportunities</p> <ul style="list-style-type: none"> <li>● Swimming pool</li> <li>● Increased quality of fittings (over and above core and desirable requirements)</li> <li>● Conferencing and meeting facilities</li> <li>● Business incubation units</li> </ul>

Scope	Educational	Buildings
	<ul style="list-style-type: none"> <li>• Community regeneration</li> <li>• A fully integrated school-based Children's Service</li> <li>• Fully integrated community learning centre catering for learning, cultural, sporting and multi-agency activities.</li> <li>• Bilingual promotion (Welsh medium centre)</li> </ul>	

## 2.10 Main Benefits Criteria

This section describes the main outcomes and benefits associated with the implementation of the potential scope in relation to business needs.

Satisfying the potential scope for this investment will deliver the following high-level strategic and operational benefits. The Investment Objectives, and the potential benefits to different stakeholder groups, are included in the following table.

**Table 32: Investment Objectives and Benefit Criteria**

Investment Objective	Stakeholder Group	Main Benefits Criteria by Stakeholder Group
1. To improve the learning outcomes for pupils and learners across the ability range.	Learners	<p><u>Quantifiable Benefits</u></p> <ul style="list-style-type: none"> <li>• Enhanced life chances and employment opportunities</li> <li>• Opportunities to benefit from a wider range of learning opportunities</li> <li>• Opportunities to benefit from a range of key and other learning skills</li> </ul> <p><u>Non Quantifiable Benefits</u></p> <ul style="list-style-type: none"> <li>• Ability to positively contribute to Society and the wider community</li> <li>• Increased health and wellbeing of staff &amp; students</li> </ul>
	Staff	<p><u>Quantifiable Benefits</u></p> <ul style="list-style-type: none"> <li>• Greater opportunities to use a wider range of different learning / teaching styles</li> <li>• Increased critical mass of staff that enables the sharing of opportunities via professional learning communities</li> <li>• Increased critical mass of students supports the development of staff expertise and specialisms</li> </ul>

Investment Objective	Stakeholder Group	Main Benefits Criteria by Stakeholder Group
		<u>Non Quantifiable Benefits</u> <ul style="list-style-type: none"> <li>• Professional challenge to deliver new subjects</li> <li>• Improved professional credibility and integrity</li> <li>• Increased health and wellbeing of staff &amp; students</li> </ul>
	Employers	<u>Quantifiable Benefits</u> <ul style="list-style-type: none"> <li>• Improved levels of recruitment, quality and retention of staff</li> </ul>
		<u>Non Quantifiable Benefits</u> <ul style="list-style-type: none"> <li>• Reputational improvement for the County Council and College</li> <li>• Improved opportunities to attract and retain high quality staff</li> </ul>
	Wider Community	<u>Quantifiable Benefits</u> <ul style="list-style-type: none"> <li>• Community regeneration and sustainability</li> <li>• Reduction in crime, anti-social behaviour and disaffection</li> </ul>
		<u>Non Quantifiable Benefits</u> <ul style="list-style-type: none"> <li>• Learners/pupils contributing more positively to society</li> <li>• Improved community links and facilities ensuring community cohesion</li> <li>• Enhanced local and national reputation of the wider community</li> <li>• Improved community pride, self-esteem, confidence and sense of belonging</li> <li>• Enhanced status for Brecon – catalyst for inward investment and economic growth</li> </ul>
2. To provide a progressive and innovative curriculum that is responsive to the needs of learners, communities and Powys and the wider economy.	Learners	<u>Quantifiable Benefits</u> <ul style="list-style-type: none"> <li>• Enhanced life chances and employment opportunities</li> <li>• Opportunities to benefit from a wider range of learning opportunities and skills.</li> </ul> <u>Non Quantifiable Benefits</u> <ul style="list-style-type: none"> <li>• Increased self-worth</li> <li>• Increased health and wellbeing of staff &amp; students</li> <li>• Allows students to market themselves better in the job market</li> <li>• Improved facilities mean more choice for Young People in the Brecon and South Powys area</li> <li>• Produces a more skilled set of students, prepared for entry into Higher Education or employment.</li> </ul>

Investment Objective	Stakeholder Group	Main Benefits Criteria by Stakeholder Group
	Staff	<p><u>Quantifiable Benefits</u></p> <ul style="list-style-type: none"> <li>• Sustainability in demand results in supporting the number of jobs.</li> </ul> <p><u>Non Quantifiable Benefits</u></p> <ul style="list-style-type: none"> <li>• Ensures that staff are fully developed to be able to deliver the fullest range of the curriculum.</li> <li>• Professional challenge to deliver new subjects</li> </ul>
	Employers	<p><u>Quantifiable Benefits</u></p> <ul style="list-style-type: none"> <li>• New facilities attract increased numbers of students and funding.</li> </ul> <p><u>Non Quantifiable Benefits</u></p> <ul style="list-style-type: none"> <li>• Develops strategic links with partner organisations</li> <li>• Improved college/school reputation</li> <li>• Produces a more skilled set of students, prepared for entry into Higher Education or employment.</li> <li>• Improved marketing opportunities, due to increased profile and reputation</li> </ul>
	Wider Community	<p><u>Quantifiable Benefits</u></p> <ul style="list-style-type: none"> <li>• Creates more opportunities for full time employment</li> <li>• Reduction in crime, anti-social behaviour and disaffection</li> </ul> <p><u>Non Quantifiable Benefits</u></p> <ul style="list-style-type: none"> <li>• Will ultimately result in reduced levels of unemployment in the area</li> <li>• Allows a wider participation in Further Education and Higher Education.</li> <li>• Improved community pride, self-esteem, confidence and sense of belonging</li> <li>• Up-skilling of local community</li> <li>• Courses tailored to local needs</li> <li>• Supports 'talent' to stay local</li> <li>• Wide range of specialist vocational provision increasing access to potential employees trained to a high standard with the skills they need.</li> <li>• A modern, flexible and sustainable college will be better able to adapt to the changing needs of employers as technologies and economies demand.</li> </ul>
3. To provide post 16 education that embraces academic	Learners	<p><u>Quantifiable Benefits</u></p> <ul style="list-style-type: none"> <li>• Increased use of full curriculum offer without need to travel during the day between sites.</li> </ul>

<b>Investment Objective</b>	<b>Stakeholder Group</b>	<b>Main Benefits Criteria by Stakeholder Group</b>
and vocational approaches and which optimises the Learning Skills Measure.		<u>Non Quantifiable Benefits</u> <ul style="list-style-type: none"> <li>• Better and more appropriately qualified students from the Brecon and South Powys area</li> <li>• Produces a more skilled set of students, prepared for entry into Higher Education or Improved self-worth</li> </ul>
	<u>Staff</u>	<u>Non Quantifiable Benefits</u> <ul style="list-style-type: none"> <li>• Increases the reputation of staff</li> </ul>
	Employers	<u>Quantifiable Benefits</u> <ul style="list-style-type: none"> <li>• Financial benefits through increase demand from students, as a result of success</li> </ul> <u>Non Quantifiable Benefits</u> <ul style="list-style-type: none"> <li>• Attracts a high calibre of staff</li> </ul>
	Wider Community	<u>Non Quantifiable Benefits</u> <ul style="list-style-type: none"> <li>• A better educated and more engaged community results in an improved employment rate and reduced deprivation</li> </ul>
4. To provide a stimulating teaching and learning environment in 21st Century facilities centred on the learning, self-esteem and well-being of all learners.	Learners	<u>Quantifiable Benefits</u> <ul style="list-style-type: none"> <li>• Improved attendance</li> <li>• Securing positive learning experiences</li> <li>• Improved learning outcomes for learners and families</li> <li>• Improved engagement with the learning process</li> <li>• Improved access to learning materials (physical, academic and emotional)</li> <li>• Greater potential for social interaction through increased number of peer groups and role models</li> <li>• Equality of opportunity to access excellent teaching and learning experiences</li> </ul> <u>Non Quantifiable Benefits</u> <ul style="list-style-type: none"> <li>• Inspired learning</li> <li>• Greater learning opportunities to improve learners' key skills</li> <li>• Creating independent learners</li> <li>• Improved self-esteem and well-being</li> <li>• Raising aspirations</li> </ul>
	Staff	<u>Quantifiable Benefits</u> <ul style="list-style-type: none"> <li>• Access to a wider range of teaching materials (state of the art ICT and other emerging technologies)</li> <li>• Greater opportunities to use a wider range of different learning / teaching styles</li> </ul>

Investment Objective	Stakeholder Group	Main Benefits Criteria by Stakeholder Group
		<ul style="list-style-type: none"> <li>• Increased opportunities for continuous professional development</li> <li>• Increased critical mass of staff that enables the sharing of opportunities via professional learning communities</li> <li>• Increased critical mass of students supports the development of staff expertise and specialisms</li> </ul>
		<p><u>Non Quantifiable Benefits</u></p> <ul style="list-style-type: none"> <li>• More opportunities to facilitate distributed leadership and increased responsibilities</li> <li>• Working environment – motivated learners as a result from a more vibrant workshop / classroom experience</li> </ul>
	Employers	<p><u>Quantifiable Benefits</u></p> <ul style="list-style-type: none"> <li>• Improved levels of recruitment, quality and retention of staff</li> </ul>
		<p><u>Non Quantifiable Benefits</u></p> <ul style="list-style-type: none"> <li>• Reputational improvement for the County Council</li> <li>• More effective staffing structures – management and support</li> </ul>
	Wider Community	<p><u>Quantifiable Benefits</u></p> <ul style="list-style-type: none"> <li>• Localised access to learning, sporting and cultural opportunities</li> <li>• Reduction in crime, anti-social behaviour and disaffection</li> <li>• Increase uptake of and access to healthy active lifestyles</li> </ul> <p><u>Non Quantifiable Benefits</u></p> <ul style="list-style-type: none"> <li>• Securing local provision</li> <li>• Improved community pride, self-esteem, confidence and sense of belonging</li> <li>• Improved community links and facilities ensuring community cohesion</li> </ul>
5. To support the authority's aim of reducing surplus places in schools.	Learners	<p><u>Quantifiable Benefits</u></p> <ul style="list-style-type: none"> <li>• More funding available due to redistribution of resources</li> <li>• Wider curricular and non-curricular opportunities</li> </ul>
		<p><u>Non Quantifiable Benefits</u></p> <ul style="list-style-type: none"> <li>• Greater potential for social interaction through increased number of peer groups and role models</li> </ul>
	Staff	<p><u>Quantifiable Benefits</u></p>

Investment Objective	Stakeholder Group	Main Benefits Criteria by Stakeholder Group
		<ul style="list-style-type: none"> <li>• Improved levels of recruitment, quality, retention and reputation of staff</li> <li>• Increased critical mass of students supports the development of staff expertise and specialisms</li> <li>• Greater opportunities to use a wider range of different learning / teaching styles</li> <li>• Increased opportunities for continuous professional development</li> </ul>
		<p><u>Non Quantifiable Benefits</u></p> <ul style="list-style-type: none"> <li>• More opportunities to facilitate distributed leadership and increased responsibilities</li> <li>• Greater opportunity for flexible working practices e.g. team teaching</li> <li>• Improved professional credibility and integrity</li> </ul>
	Employers	<p><u>Quantifiable Benefits</u></p> <ul style="list-style-type: none"> <li>• Ability to distribute funds more equitably</li> <li>• Securing long-term opportunities for employment in County</li> </ul>
		<p><u>Non Quantifiable Benefits</u></p> <ul style="list-style-type: none"> <li>• Future-proofing of communities</li> <li>• Sustaining local business community</li> <li>• Improved financial management reputation and confidence that public funds are being used efficiently</li> <li>• Sustainable staffing structures - management and support</li> </ul>
	Wider Community	<p><u>Quantifiable Benefits</u></p> <ul style="list-style-type: none"> <li>• Securing long-term opportunities for employment in the community</li> <li>• Community regeneration and sustainability</li> <li>• Reduction in anti-Social behaviour and disaffection within the Powys area</li> <li>• Improved community cohesion</li> </ul>
		<p><u>Non Quantifiable Benefits</u></p> <ul style="list-style-type: none"> <li>• Confidence in public funds being used efficiently</li> <li>• Future-proofing of communities</li> <li>• Sustaining local business community</li> <li>• Enhanced local and national reputation of the wider community</li> <li>• Improved community links and facilities ensuring</li> </ul>

<b>Investment Objective</b>	<b>Stakeholder Group</b>	<b>Main Benefits Criteria by Stakeholder Group</b>
		<p>community cohesion</p> <ul style="list-style-type: none"> <li>• Improved community pride and sense of belonging</li> </ul>
6. To achieve efficiencies (economic and environmental) through economies of scale and governance arrangements.	Learners	<p><u>Quantifiable Benefits</u></p> <ul style="list-style-type: none"> <li>• More funding due to redistribution of resources</li> <li>• 'One stop shop' for learning</li> <li>• Greater learning opportunities to improve learners' key skills</li> <li>• Wider range of curricular and non-curricular opportunities</li> <li>• Economies of scale (from closing two 'old' schools, opening a 'new' 11-16 school and integrating Post 16 education) will lead to a wider range of better, more up to date specialist vocational facilities</li> </ul> <p><u>Non Quantifiable Benefits</u></p> <ul style="list-style-type: none"> <li>• Greater potential for social interaction through increased number of peer groups and role models</li> <li>• Greater understanding of the importance of sustainable development and environmental issues</li> <li>• Better facilities provided due to more money being made available to the college</li> </ul>
	Staff	<p><u>Quantifiable Benefits</u></p> <ul style="list-style-type: none"> <li>• Sustainability and retention of staff</li> <li>• Greater staff expertise and specialisms</li> <li>• Increased opportunities for continuous professional development</li> <li>• Greater opportunities to use a wider range of different learning / teaching styles</li> <li>• Greater understanding of sustainable development and environmental issues in new learning centre</li> <li>• Shared access to training and counselling</li> </ul> <p><u>Non Quantifiable Benefits</u></p> <ul style="list-style-type: none"> <li>• More opportunities to facilitate distributed leadership and increased responsibilities</li> <li>• Greater opportunity for flexible working practices e.g. team teaching</li> <li>• Improved professional credibility and integrity</li> </ul>
	Employers	<p><u>Cash Releasing Benefits</u></p> <ul style="list-style-type: none"> <li>• Reduction in advertising costs for teaching staff</li> <li>• Income from community use of facilities</li> </ul>

Investment Objective	Stakeholder Group	Main Benefits Criteria by Stakeholder Group
		<ul style="list-style-type: none"> <li>• Potential for commercial lettings</li> <li>• Increased income from professional courses within a newer, more appropriate environment</li> <li>• Backlog maintenance savings</li> </ul> <p><u>Quantifiable Benefits</u></p> <ul style="list-style-type: none"> <li>• Securing long-term opportunities for employment in the community</li> <li>• Sustaining local business community</li> <li>• Greater potential to reinvest revenue and capital</li> <li>• Greater ability to target specific need</li> <li>• Greater ability to share resources</li> <li>• Greater consistency in managing employment issues</li> <li>• Improved borrowing capacity (prudential borrowing)</li> <li>• More students enrolled, resulting in a reduced cost per student.</li> <li>• Increased room utilisation rates</li> <li>• Lecturer / student ratios are optimised</li> </ul> <p><u>Non Quantifiable Benefits</u></p> <ul style="list-style-type: none"> <li>• Improved financial management reputation and confidence that public funds are being used efficiently</li> <li>• Future-proofing of communities</li> <li>• Backlog maintenance costs removed for the first five years post new build (NB. This will be included in the economic analysis, but not as a benefit).</li> <li>• Unique opportunity to allow the school and college to cooperate to utilise space in the most efficient way possible</li> </ul>
	Wider Community	<p><u>Quantifiable Benefits</u></p> <ul style="list-style-type: none"> <li>• Securing long-term opportunities for employment in the community</li> <li>• Community regeneration and sustainability</li> <li>• The economies of scale are the only way of securing the type of specialist provision necessary to drive the local economy</li> </ul> <p><u>Non Quantifiable Benefits</u></p> <ul style="list-style-type: none"> <li>• Improved financial management reputation and confidence that public funds are being used efficiently</li> <li>• Future-proofing of communities</li> <li>• Sustaining local business community</li> <li>• Enhanced local and national reputation of wider the</li> </ul>

Investment Objective	Stakeholder Group	Main Benefits Criteria by Stakeholder Group
		<p>community</p> <ul style="list-style-type: none"> <li>• Improved community links and facilities ensuring community cohesion</li> <li>• Improved community pride and sense of belonging</li> </ul>

## 2.11 Main Risks

This section takes on an early view of the key risks that could impact on the successful delivery of the project and sets out what actions the Project Management Board can take to ensure risk is minimised and managed.

**Table 33: Risks and Counter-Measures**

Main Risk	Counter Measures
<b>Business and Political Risks</b>	
1. An unexpected reduction in the level/ availability of capital or revenue funding leads to delays and reduction in the scope of the project.	1. No contractual commitments will be made until firm assurances have been given regarding the affordability and availability of funding.
2. The project requires political endorsement	2. The Council's Cabinet has given approval in principle to the project and will be kept informed as the project develops.
<b>Service Risks</b>	
1. Legislative changes.	1. Plan flexibility into the options where possible.
2. WG policy changes	2. Plan flexibility into the options where possible.
<b>External Environmental Risks</b>	
1. Issues relating to planning permission or planning constraints	1. There has been early engagement with the Local Authority Planning Department on the proposed site and to identify any issues relating to planning permission or planning constraints.
2. Staff and learners struggle to adapt to	2. Staff and learners will be shown around the new

Main Risk	Counter Measures
the new learning campus	learning campus prior to its official opening.
3. A change in political climate at WG level.	3. Ensure that all requests are in line with existing WG policy.

## 2.12 Constraints

The project is subject to the following constraints:

- Stakeholder involvement;
- Availability of a suitable tender;
- Availability of expertise to develop the project;
- The need to reach BREEAM excellence;
- Building restrictions, e.g. environmental issues;
- Building control;
- Welsh Government education policies.
- County Council policy;
- Staffing and HR issues in each of the educational establishments
- Availability of capital funding (Grant funding and borrowing capacity);
- Future legislation.

## 2.13 Dependencies

The key dependency identified for the development of the Brecon Learning Campus is external funding to build the new facility. Without the official notification/confirmation of funding from the Welsh Government, we will be unable to start work on the project.

In addition, planning permission has been identified as a crucial dependency. Without planning permission, we will be unable to start building the new learning campus. However, consultation with Planning Officers has been undertaken on the proposed site for the Brecon Learning Campus in order to reduce the planning risk.

A successful public consultation will be a dependency, with effectively two school closures (both Brecon and Gwernyfed High Schools closing and a new Secondary element opening within the Brecon campus).

Political endorsement is also a key dependency as without Cabinet approval the proposal will be unable to proceed. The Council's Cabinet has given approval in principle to the project and will be kept informed as the project develops.

## 3.0 Economic Case

### 3.1 Introduction

In accordance with the Capital Investment Manual and requirements of HM Treasury's Green Book (A Guide to Investment Appraisal in the Public Sector), this section of the OBC documents the wide range of options that have been considered in response to the potential scope identified within the strategic case.

### 3.2 Critical Success Factors

The critical success factors (CSFs) are as follows:

#### CSF 1 – Business Needs

- The option must satisfy all of the investment objectives and associated business needs determined for the initiative.
- The option must also optimise compliance with these objectives throughout any implementation.
- The option must be the best (long term) fit with the demands for skills of the business and commercial communities within the area.

#### CSF 2 – Strategic Fit

- The option must fit within and promote Local, National and Regional strategies presented in Business Strategies.
- The option must complement the vision and standards that Powys County Council have developed for schools.
- The option must be the best (long term) fit with the strategies of the business and commercial communities within the area.

#### CSF 3 – Potential Value for Money (VFM)

- The option must maximise return on the required investment (benefits optimisation) in terms of economy, efficiency and effectiveness.
- The option must minimise associated risks.

#### CSF 4 – Benefits Optimisation

- Achieves highest standard of service provision on behalf of pupils, staff, families, parents/ carers.

- Sustainable model(s) of learning provision within Powys which meet the needs and aspirations of all children and young people both now and in the future.
- Educational attainment levels raised to the targets expressed for Investment Objectives.
- Operating costs for delivering learning are optimised at levels that achieve reductions.

### **CSF 5 – Potential Achievability**

- The option needs to be accepted by learners, staff, employees and the wider community.
- There must be the teaching capacity, skills and vision to deliver the required outcomes, or an awareness of the need to recruit assistance.
- Innovative governance and management arrangements need to be deployed.
- Site development potential or availability of land.
- Effective and efficient collaborative working for the longer term.

### **CSF 6 – Supply Side Capacity and Capability**

- Sufficient appropriate resources and expertise to be deployed within Powys to achieve the investment objectives.
- Requirement for Innovative governance and management arrangements to be deployed, such as use of Non-Executive members of Programme Boards.

### **CSF 7 – Potential Affordability**

- The required investment can be met from the Welsh Government (21st Century Schools), plus contributions from Powys County Council and NPTC Group of Colleges.
- Developments can be phased to match the funds available.
- The financial and non-financial benefits must more than repay the investment.

## **3.3 Services Scoping Options**

In accordance with the Treasury Green Book, the do nothing option has been considered as a benchmark for potential VFM.

Within the broad scope outlined in the strategic case, the following main options have been considered:

**Minimum Scope** – The minimum ‘do-nothing’ scope required to ensure that the buildings can continue to be used for educational purposes. This includes refurbishment and backlog maintenance in this instance.

**Intermediate scope** – An intermediate approach involves internal adaptations and extension to improve the education delivery from substantially retained buildings.

**Maximum scope** – Total redevelopment of the buildings to create an entirely new teaching environment (i.e. new build of facilities).

### 3.3.1 ‘Minimum Scope’

Maintain the status quo i.e. maintain Brecon High School, Gwernyfed High School and the Brecon Beacons campus, NPTC Group of Colleges in their current form – with refurbishment and backlog maintenance completed.

- **Advantages**

This option leaves the schools and college free to continue existing education in current shape and form and requires no changes or disruption;

Minimal capital investment will be required.

- **Disadvantages**

Does not address the issue of inadequate school buildings by providing 21st Century curriculum facilities. This is particularly true of the Brecon High School building which is category D (end of life);

Poor condition, and sustainability levels of related buildings, is not addressed. Business continuity will be a significant risk under this approach;

Surplus capacity issues will not be addressed in this option;

Financially unviable due to the disproportionately high ongoing maintenance costs of the school building estate;

Very narrow curriculum provided at the existing facilities;

Brecon HS is in special measures – does not provide facilities to allow school to improve educational outcomes;

Does not address the problem of pupil drift;

Existing Brecon HS and college site are not ideally situated (e.g. split college site – across an ‘A’ road).

Existing Gwernyfed HS is a condition B/C building

### 3.3.2 ‘Intermediate Scope’

- Advantages

Continuity of education on site;  
Reduction of surplus places; and  
Limited capital investment will be required.

- Disadvantages

Does not address the issue of inadequate school buildings in secondary school or business continuity issues;  
Does not achieve economies of scale for the school/college;  
Financially unviable due to the disproportionately high ongoing maintenance costs of the school and college building estate;  
School is in special measures – does not provide facilities to allow school to improve educational outcomes;  
Does not provide sufficient opportunity to increase the academic and vocational curricula at the school/college;  
Does not address the problem of pupil drift;  
Existing Brecon HS and college site are not ideally situated (e.g. split college site – across an ‘A’ road).

### 3.3.3 ‘Maximum Scope’

- Advantages

Manageable and realistic option – to build new school/college facilities that can provide 21st Century facilities which optimise the curriculum and Learning Skills Measure;  
New campus will have the best facilities for pupils, staff and the community;  
A new school facility will address the issue of pupil drift;  
Potential for new governance arrangements to make campus financially viable;  
Potential to increase critical mass of post 16 learners;  
Option is largely accepted by stakeholders.

- Disadvantages

Opposition to closure of schools from both communities of Brecon and Gwernyfed

There may be some political disagreement with the approach;

Capital funding may not be available.

### 3.3.4 Summary Assessment of Scoping Options

**Table 34: Summary Assessment of Scoping Options**

Reference to:	Scope		
Description of Option	'Minimum Scope'	'Intermediate Scope'	'Maximum Scope'
<b>Investment Objectives</b>			
1. To improve the learning outcomes for pupils and learners across the ability range	✗	?	✓
2. To provide a progressive and innovative curriculum that is responsive to the needs of learners, communities and Powys and the wider economy	✗	✗	✓
3. To provide post 16 education that embraces academic and vocational approaches and which optimises the Learning Skills Measure	✗	✗	✓
4. To provide a stimulating all through teaching and learning environment in 21st Century facilities centred on the learning, self-esteem and well-being of all learners	✗	✗	✓
5. To support the authority's aim of reducing surplus places in schools	✗	?	✓
6. To achieve efficiencies (economic and environmental) through economies of scale and governance arrangements	✗	✗	✓
<b>Critical Success Factors</b>			
Business Need	✗	✗	✓
Strategic Fit	✗	✗	✓
Potential VFM	✗	✗	✓
Benefits optimisation	✗	?	✓
Potential achievability	✓	✓	✓

Reference to:	Scope		
	'Minimum Scope'	'Intermediate Scope'	'Maximum Scope'
Description of Option			
Potential supply side capacity and capability	✓	✓	✓
Affordability	✓	✓	✓
<b>Summary</b>	<b>Possible</b>	<b>Discounted</b>	<b>Preferred</b>

Although the 'Minimum' scope is discounted at this stage (as it does not meet any of the Investment Objectives and only meets 3 of the 6 Critical Success Factors) it will be **carried forward for economic comparative purposes only**.

The Intermediate Scope is **discounted** due to it not fitting with the Council's strategy and only possibly meeting 2 of the 7 Investment Objectives and 3 of the 6 Critical Success Factors.

The Maximum Scope is the **preferred option** to be carried forward for full evaluation as it meets all of the Investment Objectives and Critical Success factors.

### 3.4 Service Solution Options

The service solution options considered for the reconfiguration of educational provision and modernisation/replacement of facilities involve two Secondary schools and a College campus.

The following long-list of options includes schemes that relate to 11-18 education and does not include any Primary element.

While Welsh Government has previously provided a steer that the inclusion of a Primary School (in the Brecon Campus scheme) could potentially be beneficial to learners, the Council has considered this carefully and has decided not to include a Primary element **at this stage**.

The Council does consider, however, that subject to demographic trends in the Primary sector within the Brecon area, that a Primary school may either be co-located (or integrated) on the same site as the proposed Brecon campus as part of a phased development.

The Council fully understands that the cost of any additional Primary element after the initial development would have to be within the Council's SOP cost envelope and in Band B or C.

In order to be clear about the scope and scale of proposed options, the following definitions were agreed:

- **Refurbishment** – The minimum ‘do-nothing’ option required to ensure that the building can continue to be used for educational purposes.
- **Remodelling** – An intermediate approach, involving internal adaptations and extension to improve the education delivery from a substantially retained building.
- **New Build** – Total redevelopment of the building to create an entirely new teaching environment.
- **Vocational College (NPTC Group of Colleges)** - the college continues to deliver vocational provision, as it does now i.e. does not deliver A levels
- **College with new Tertiary Centre (NPTC Group of Colleges)** - the college is responsible for delivery of A level provision, as well as vocational i.e. delivers all post 16 education.

Below is a long list of options considered for the scheme with outline reasons for those carried forward into the evaluation phase (short-list):

### **Long-Listed Options**

The long list of options was generated by a workshop held on the 3<sup>rd</sup> April 2014 (and revisited on 20<sup>th</sup> December 2014) are shown in the following table. The evaluation was undertaken in accordance with how well each option met the investments objectives and Critical Success Factors:

- **Option 1 – Do Nothing (refurbish Brecon and Gwernyfed High schools and college)**
- **Option 2 – Close school and redistribute pupils to other 11 – 18 schools in South Powys**
- **Option 3 – Remodel Brecon High School 11-18**
- **Option 4 – New build Brecon High School 11-18**
- **Option 5 – New build Brecon High School 11 -16**
- **Option 6 – Establish new dual-sited secondary school to replace Brecon HS and Gwernyfed HS 11 – 18**
  - **Remodel**
  - **New build**
- **Option 7 – Establish new single sited secondary school to replace Brecon HS and Gwernyfed HS 11 – 18**
  - **Remodel**

- **New build**
- **Option 8 – Establish new dual-sited secondary school to replace Brecon HS and Gwernyfed HS 11 – 16**
  - **Remodel**
  - **New build**
- **Option 9 – Establish new single-sited secondary school to replace Brecon HS and Gwernyfed 11 – 16**
  - **Remodel**
  - **New build**
- **Option 10 – Establish new build Lifelong Learning Campus to include a new secondary school 11 – 18, replacing Brecon HS and Gwernyfed HS, & new Vocational College**
- **Option 11 – Establish new build Lifelong Learning Campus to include a new secondary school 11 – 16, replacing Brecon HS and Gwernyfed HS & new Sixth Form/Vocational College**

### **Option 1 - Do nothing (refurbish Secondary schools and college)**

#### **Advantages**

- No significant construction disruption to pupils and learners
- Minimal short term capital spend
- Provides flexibility within (SOP) cost envelope to focus on other priorities
- Marginal improvements in premises result in improved teaching and learning experiences and outcomes
- Continuity of good community interface

#### **Disadvantages**

- Adds no significant life to category D building (school condition will continue to deteriorate)
- Will still require significant investment in Brecon in the short/medium term
- Does not generate any financial efficiencies
- Does not allow for capitalisation of costs

- Does not address the issue of surplus places
- Current layouts are inappropriate
- Model does not optimise the Learning Skills Measure

### **Option 2 - Close Brecon High School and redistribute pupils to other 11 – 18 schools in South Powys & Refurbish Vocational College**

#### **Advantages**

- Addresses building condition (category D)
- Addresses the issue of surplus places
- Provides flexibility within (SOP) cost envelope to focus on other priorities
- Responds to Brecon High School being in Special Measures
- Will provide financial efficiencies
- Will ensure that Brecon-based secondary school pupils are educated in more appropriate (and fit for purpose) facilities

#### **Disadvantages**

- Removes statutory secondary education from Brecon
- Loses continuity of interface with the community
- Results in additional travel to learn costs (to bus pupils elsewhere)
- May result in additional travel to learn time for pupils/students
- Removes Post 16 choice for learners in the Brecon area
- May result in an increase in NEETS in the Brecon area
- De-stabilises Secondary and Post 16 education in the Brecon and wider South Powys area(s)
- Model does not optimise the Learning Skills Measure

### **Option 3 - Remodel Brecon High School 11 – 18**

#### **Advantages**

- Less capital required
- Known site and adjacent to existing College campus

- Reduce backlog maintenance
- Continuity of teaching and learning
- Continuity of the good community interface
- No reduction in available playing fields

### Disadvantages

- Difficult and expensive (pro rata) to remodel the Secondary school
- Remodelling subject to limitations of structure and layout
- There would be a need for temporary accommodation and extensive transitional arrangements during the project
- Complex phasing required
- Does not optimise benefits
- Does not address surplus places issue
- Will disrupt education while project is underway
- Remodelled facilities will have a limited life-span
- No co-location efficiencies (with the College)
- Not transformational
- Remodelling of the school does not optimise Post 16 education
- Model does not optimise the Learning Skills Measure

### Option 4 - New build Brecon High School 11 – 18

#### Advantages

- Known site and adjacent to existing College campus
- Reduce backlog maintenance
- Continuity of teaching and learning
- Continuity of the good community interface
- No reduction in available playing fields

- Enhanced teaching and learning facilities result in enhanced educational outcomes
- Provision matches current and long term pupil projections
- Provides 21st Century Secondary school facilities (and removes category D building)
- Addresses surplus places issue
- Allows for step change improvement – therefore no construction disruption
- Provides a clear learning pathway (11-18yrs)
- Existing site released for development and a potential capital receipt
- Continuity of Post 16 academic education in Brecon

### **Disadvantages**

- Does not fully address the issue of Post 16 education in Brecon (academic only)
- High capital cost
- Current cohort of learners continue to be taught in sub-standard accommodation
- College unwilling to invest in a partial facility (e.g. vocational only) and the move may increase competition for A level students
- Model does not optimise the Learning Skills Measure

### **Option 5 - New build Brecon High School 11 – 16**

#### **Advantages**

- Known site and adjacent to existing College campus
- Reduce backlog maintenance
- Continuity of teaching and learning
- Continuity of the good community interface
- No reduction in available playing fields
- Enhanced teaching and learning facilities result in enhanced educational outcomes
- Provision matches current and long term pupil projections
- Provides 21st Century Secondary school facilities (and removes category D building)

- Addresses surplus places issue
- Allows for step change improvement – therefore no construction disruption
- Existing site released for development and a potential capital receipt
- Continuity of collaboration with NPTC Group of Colleges

### Disadvantages

- Does not fully address the issue of Post 16 education in Brecon (although education to 16 years will ensure collaboration between the Council and NPTGC)
- High capital cost
- Current cohort of learners continue to be taught in sub-standard accommodation
- College unwilling to invest in a partial facility (e.g. vocational only) and the move may increase competition for A level students
- Model does not optimise the Learning Skills Measure

## Option 6 – Establish new dual-sited (11 – 18) secondary school to replace Brecon HS and Gwernyfed HS

### Advantages

- Potential for co-location of school and college campus
- Enhanced teaching and learning facilities result in enhanced educational outcomes
- Provision matches current and long term pupil projections
- Provides 21st Century Secondary school facilities (and removes category D building)
- Addresses surplus places issue
- Provides a clear learning pathway (11-18yrs)
- Potential for part of existing site released for development and a potential capital receipt
- Continuity of Post 16 education in Brecon and the surrounding areas
- A critical mass of 6<sup>th</sup> form students in the new school

### Disadvantages

- Current cohort of learners continue to be taught in sub-standard accommodation (Brecon High School in particular)

- Does not fully address the issue of Post 16 education in Brecon and the surrounding areas (although education to 16 years will ensure collaboration between the Council and NPTC Group of Colleges)
- College unlikely to invest in a partial facility (e.g. vocational only) and the move may introduce competition for A level students
- Model does not optimise the Learning Skills Measure
- Dual site means that the option is not really transformational
- No significant financial efficiencies available

#### **Option 7 – Establish new single sited (11 – 18) secondary school to replace Brecon HS and Gwernyfed HS**

##### **Advantages**

- Leads Secondary re-organisation in Brecon and the wider Powys area
- Potential for significant financial efficiencies
- Potential for co-location of school and college campus
- Enhanced teaching and learning facilities result in enhanced educational outcomes
- Provision matches current and long term pupil projections
- Provides 21st Century Secondary school facilities (and removes category D building)
- Addresses surplus places issue
- Provides a clear learning pathway (11-18yrs)
- Potential for part of existing site released for development and a potential capital receipt
- Continuity of Post 16 education in Brecon
- A critical mass of 6th form students in the new school

##### **Disadvantages**

- Current cohort of learners continue to be taught in sub-standard accommodation (Brecon High School in particular)
- Does not fully address the issue of Post 16 education in Brecon and the surrounding areas (although education to 16 years will ensure collaboration between the Council and NPTC Group of Colleges)

- College unwilling to invest in a partial facility (e.g. vocational only) and the move may increase competition for A level students
- Model does not optimise the Learning Skills Measure

#### **Option 8 – Establish new dual-sited (11 – 16) secondary school to replace Brecon HS and Gwernyfed HS**

##### **Advantages**

- Potential for co-location of school and college campus
- Enhanced teaching and learning facilities result in enhanced educational outcomes
- Provision matches current and long term pupil projections
- Provides 21st Century Secondary school facilities (and removes category D building)
- Addresses surplus places issue
- Potential for part of existing site released for development and a potential capital receipt

##### **Disadvantages**

- Current cohort of learners continue to be taught in sub-standard accommodation (Brecon High School in particular)
- Does not provide a clear learning pathway (11-18yrs)
- Uncertainty over Continuity of Post 16 education in Brecon and the surrounding areas
- Does not fully address the issue of Post 16 education in Brecon and the surrounding areas (although education to 16 years will ensure collaboration between the Council and NPTC Group of Colleges)
- College unwilling to invest in a partial facility (e.g. vocational only) and the move may increase competition for A level students
- Model does not optimise the Learning Skills Measure
- Dual site means that the option is not really transformational
- No significant financial efficiencies available

## Option 9 – Establish new single sited (11 – 16) secondary school to replace Brecon HS and Gwernyfed HS

### Advantages

- Leads Secondary re-organisation in Brecon and the wider Powys area
- Potential for significant financial efficiencies
- Potential for co-location of school and college campus
- Enhanced teaching and learning facilities result in enhanced educational outcomes
- Provision matches current and long term pupil projections
- Provides 21st Century Secondary school facilities (and removes category D building)
- Addresses surplus places issue
- Potential for part of existing site released for development and a potential capital receipt

### Disadvantages

- Current cohort of learners continue to be taught in sub-standard accommodation (Brecon High School in particular)
- Does not provide a clear learning pathway (11-18yrs)
- Does not fully address the issue of Post 16 education in Brecon and the surrounding areas (although education to 16 years will ensure collaboration between the Council and NPTC Group of Colleges)
- College unlikely to invest in a partial facility (e.g. vocational only) and the move may introduce competition for A level students
- Model does not optimise the Learning Skills Measure

## Option 10 – Establish new build Lifelong Learning Campus to include a new secondary school 11 – 18, replacing Brecon HS and Gwernyfed HS & new Vocational College

### Advantages

- Potential for larger, more revenue efficient Secondary school
- Leads Secondary re-organisation in Brecon and the wider Powys area
- Optimises space and includes joint learning

- Enhanced teaching and learning facilities result in enhanced educational outcomes
- Provision matches current and long term pupil projections
- Provides 21st Century Secondary school facilities (and removes category D building)
- Addresses surplus places issue
- Allows for step change improvement – therefore no construction disruption
- Provides a clear learning pathway (11-18yrs)
- Existing site released for development and a potential capital receipt
- Continuity of Post 16 academic education in Brecon

### **Disadvantages**

- Does not fully address the issue of Post 16 education in Brecon (academic only)
- High capital cost
- Current cohort of learners continue to be taught in sub-standard accommodation
- Significant reduction in outdoor space
- College unwilling to invest in a partial facility (e.g. vocational only)
- Model does not optimise the Learning Skills Measure

### **Option 11 – Establish new build Lifelong Learning Campus to include a new secondary school 11 – 16, replacing Brecon HS and Gwernyfed HS & new Sixth Form/Vocational College Advantages**

- Potential for larger, more revenue efficient School and College provision
- Potential for integrated design, resulting in a lower capital cost
- Leads Secondary re-organisation in Brecon and the wider Powys area
- College already offering a wide range of A levels from September 2015
- Co-location of new school and college campus
- Optimises space and includes joint learning facilities
- Enhanced teaching and learning facilities result in enhanced educational outcomes
- Provision matches current and long term pupil projections

- Provides 21st Century Secondary school facilities (and removes category D building)
- Addresses surplus places issue
- Allows for step change improvement – therefore no construction disruption
- Provides a clear learning pathway (11-18yrs)
- Existing site released for development and a potential capital receipt
- Continuity of Post 16 education in Brecon and the surrounding areas
- Optimisation of the Learning Skills Measure
- Removes unnecessary competition between the County Council and NPTC Group of Colleges
- Closure of Gwernyfed High School (including 6<sup>th</sup> form) would provide critical mass for cost effective tertiary education
- Transfer of PRU means that an existing Powys CC asset (building) can be released for sale or other use.

### Disadvantages

- High capital cost – limitations to Welsh Government funding
- Current cohort of learners continue to be taught in sub-standard accommodation (particularly Brecon High School site)
- Significant reduction in outdoor space

## Summary Assessment of Service Options

Table 35: Summary Assessment of Service Options

Reference Options	Option 1	Option 2	Option 3	Option 4	Option 5	Option 6	Option 7	Option 8	Option 9	Option 10	Option 11
<b>Investment Objectives</b>											
1. To provide a progressive and innovative curriculum that is responsive to the needs of learners, communities and Powys and the wider economy	x	?	?	✓	✓	✓	✓	✓	✓	✓	✓
2. To provide post 16 education that embraces academic and vocational approaches and which optimises the Learning Skills Measure	x	?	?	?	?	?	?	?	x	✓	✓
3. To provide a stimulating teaching and learning environment in 21st Century facilities centred on the learning, self-esteem and well-being of all learners	x	x	?	✓	✓	✓	✓	✓	✓	✓	✓
4. To provide a progressive and innovative curriculum that is responsive to the needs of learners, communities and Powys and the wider economy	x	x	?	?	x	?	✓	?	?	✓	✓
5. To support the authority's aim of reducing surplus places in schools	x	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
6. To achieve efficiencies (economic and environmental) through economies of scale and governance arrangements	x	✓	x	x	x	x	✓	x	✓	✓	✓

Critical Success Factors											
Business Needs	x	?	x	?	x	x	✓	x	?	?	✓
Strategic Fit	x	x	x	?	?	x	?	x	x	?	✓
Potential VfM	x	x	x	?	?	x	✓	x	✓	✓	✓
Benefits Optimisation	x	?	x	✓	?	x	✓	x	✓	✓	✓
Potential achievability	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Supply side capacity and capability	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Potential affordability	✓	✓	✓	✓	✓	?	✓	?	✓	✓	?
Summary	Discount But C/f for appraisal	Discount	Discount	Possible	Discount	Discount	Possible	Discount	Discount	Possible	Preferred

As a result of this analysis, options 2, 3, 5, 6, 8 and 9 have been discounted as they only definitively meet a maximum of 4/7 Investment Objectives and 5/7 Critical Success Factors each. Tellingly, these options fail on some of the key drivers for this business case, such as business need and strategic fit.

Option 1 (Do Nothing) does not meet any of the Investment Objectives and only 3 of the 7 Critical Success Factors, but has been carried forward for economic appraisal as per guidance within the 'Green Book'.

Options 4 only definitively meets 3 of the 7 Investment Objectives and 4/7 Critical Success Factors, but it appears it only fails in terms of achieving efficiencies. It was therefore agreed that this option should therefore be considered further by economic appraisal.

Options 7, 10 and 11 are carried forward for economic appraisal, as they potentially meet all Investment Objectives and Critical Success Factors (i.e. it is unproven whether they can fully meet these investment criteria, but they warrant further investigation). **Option 11 is treated as preferred**, as it provides the most advantages, while it meets all of the Investment Objectives and (definitively) 6 out of 7 Critical Success Factors, with affordability being the only unknown.

### 3.5 Overall Conclusion of Scoping and Service Options

**Table 36: Overall Conclusion of Scoping and Service Options**

Options	Findings
<b>1.0 Scope</b>	
iv. Minimum	<b>Carried forward for comparative purposes only</b> , as per Green Book guidance. Does not meet any of the Investment Objectives and only meets 3 of the Critical Success Factors for the investment.
v. Intermediate	<b>Discounted</b> , as does not definitively meet any of the Investment objectives and only meets 3 of the Critical Success factors for the investment
vi. Maximum	<b>Preferred</b> , as meets all of the Investment Objectives and Critical Success Factors
<b>2.0 Service solutions</b>	
i. Option 1 - Do Nothing (refurbish school, and college)	<b>Discounted, but carried forward for comparative purposes only.</b>
ii. Option 2 - Close school and redistribute	<b>Discounted</b> , as only definitively meets 2 of the

Options	Findings
pupils to other 11 – 18 schools in South Powys & Refurbish Vocational College	Investment Objectives and 3 of the Critical Success Factors for the investment.
<b>iii.</b> Option 3 - Remodel Brecon High School 11-18	<b>Discounted</b> , as only definitively meets 3 of the Investment Objectives and 4 of the Critical Success Factors for the investment.
<b>iv.</b> Option 4 - New build Brecon High School 11-18	While this option only definitively meets 3 of the Investment Objectives and 4 of the Critical Success Factors, it only fails against Investment Objective 6 (efficiencies). The option therefore warrants further consideration and economic appraisal. It is therefore <b>Possible</b> .
<b>v.</b> Option 5 - New build Brecon High School 11 -16	This option only definitively meets 3 of both the Investment Objectives and Critical Success factors for the investment. Therefore the option is <b>Discounted</b> .
<b>vi.</b> Option 6 – Establish new dual-sited secondary school to replace Brecon HS and Gwernyfed HS 11 – 18	This option is <b>Discounted</b> , as it only meets 3 of the Investment Objectives and 2 of the 7 Critical Success Factors.
<b>vii.</b> Option 7 – Establish new single sited secondary school to replace Brecon HS and Gwernyfed HS 11 – 18	This option definitively meets 6/7 Investment Objectives and Critical Success Factors. There are no clear failures against these (i.e. further consideration may show that all factors are met) and therefore the option is <b>Possible</b> .
<b>viii.</b> Option 8 Establish new dual-sited secondary school to replace Brecon HS and Gwernyfed HS 11 – 16	<b>Discounted</b> , as only definitively meets 3 of the Investment Objectives and 2 of the Critical Success Factors for the investment.
<b>ix.</b> Option 9 – Establish new single-sited secondary school to replace Brecon HS and Gwernyfed 11 – 16	<b>Discounted</b> , as only definitively meets 4 of the Investment Objectives and 5 of the Critical Success Factors for the investment. The key failures of this option are the lack of strategic fit and the failure to address Post 16 education in Brecon and the surrounding area.
<b>x.</b> Option 10 – Establish new build Lifelong Learning Campus to include a new secondary school 11 – 18, replacing Brecon HS and Gwernyfed HS, & new Vocational College	This option definitively meets all Investment Objectives and 5/7 Critical Success Factors. There are no clear failures against these (i.e. further consideration may show that all factors are met) and therefore the option is <b>Possible</b> .
<b>xi.</b> Option 11 – Establish new build Lifelong Learning Campus to include a new secondary school 11 – 16, replacing Brecon HS and Gwernyfed HS & new Sixth Form/Vocational College	This option definitively meets all Investment Objectives and 6/7 Critical Success Factors. There are no clear failures and the option requires further assessment to understand whether it is affordable. Therefore, the option is <b>Preferred</b> .

Options	Findings
<b>3.0 Service delivery</b>	
iv. In-house	<b>Preferred</b> as design, delivery partnership and project management skills have been developed over a number of major Council investments and build programmes.
v. Outsource	<b>Discounted</b> option without appraisal.
vi. Strategic partnership	<b>Discounted</b> option without appraisal.
<b>4.0 Implementation</b>	
iii. Big bang	<b>Preferred</b> due to a lesser demand on resources and additional time allowed to secure the required land. The new school will need to be built irrespective of any partial delay from public consultation.
iv. Phased	<b>Discounted</b> due to the complex nature of the changes and the availability of land for new build sites. There will likely be a phase 2 programme of work to include Primary, but as a separate investment. The main proposal is phased with regard to operational alterations, but Big bang for capital investment.
<b>5.0 Funding</b>	
iii. Private Funding	<b>Discounted</b> option without appraisal
iv. Public Funding	<b>Preferred</b> – WG to fund subject to match funding amounting to 50% of the cost of the new Brecon Campus.

### 3.6 Short-Listed Options

The ‘possible’ options identified have been carried forward into the short list for further appraisal and evaluation. All the options that were discounted as impracticable have been excluded and on the basis of this analysis, the recommended short list for further appraisal within this OBC is as follows:

- **Option 1** – ‘Do nothing’ –refurbish schools and college.
- **Option 4** – New build Brecon High School 11-18
- **Option 7** – Establish new single sited secondary school to replace Brecon HS and Gwernyfed HS 11 – 18

- **Option 10** – Establish new build Lifelong Learning Campus to include a new secondary school 11 – 18, replacing Brecon HS and Gwernyfed HS, & new Vocational College
- **Option 11** – Establish new build Lifelong Learning Campus to include a new secondary school 11 – 16, replacing Brecon HS and Gwernyfed HS & new Sixth Form Academy/Vocational College.

A SWOT analysis was undertaken and this is detailed in the following tables.

**Table 37: SWOT Analysis – Option 1**

<b>Option 1: Do Nothing (refurbish schools and college)</b>	
<b>Strengths</b>	<b>Weaknesses</b>
<ul style="list-style-type: none"> <li>• No significant construction disruption to pupils and learners</li> <li>• Minimal short term capital spend</li> <li>• Provides flexibility within (SOP) cost envelope to focus on other priorities</li> <li>• Marginal improvements in premises result in improved teaching and learning experiences and outcomes</li> <li>• Good community interface</li> </ul>	<ul style="list-style-type: none"> <li>• Adds no significant life to category D building (school condition will continue to deteriorate)</li> <li>• Will still require significant investment in Brecon in the short/medium term</li> <li>• Does not generate any financial efficiencies</li> <li>• Does not allow for capitalisation of costs</li> <li>• Does not address the issue of surplus places</li> <li>• Current layouts are inappropriate</li> <li>• College is on a split site, across a busy A road</li> <li>• Model does not optimise the Learning Skills Measure</li> </ul>
<b>Opportunities</b>	<b>Threats</b>
<ul style="list-style-type: none"> <li>• To include other Powys investments (e.g. in the North of the County) in the Band A 21<sup>st</sup> Century Schools cost envelope</li> </ul>	<ul style="list-style-type: none"> <li>• Pupil drift (pupil flight) to other schools outside of the Brecon area</li> <li>• Category D building may result in business interruption (e.g. a 'Cwmcarn' situation, where the school was closed and learners transferred out of County, from Caerphilly to Blaenau Gwent)</li> <li>• Failure to address fundamental issues in respect of the building, teaching and learning outcomes and pupil drift may result in the loss of facility at Brecon</li> </ul>

**Table 38: SWOT Analysis – Option 4**

<b>Option 4 - New build Brecon High School 11-18</b>	
<b>Strengths</b>	<b>Weaknesses</b>
<ul style="list-style-type: none"> <li>• Optimises space and includes joint learning</li> <li>• Enhanced teaching and learning facilities result in enhanced educational outcomes</li> <li>• Provision matches current and long term pupil projections (Brecon only)</li> <li>• Provides 21st Century Secondary school facilities (and removes category D building)</li> <li>• Addresses surplus places issue</li> <li>• Allows for step change improvement – therefore no construction disruption</li> <li>• Provides a clear learning pathway (11-16yrs)</li> <li>• Existing site released for development and a potential capital receipt</li> </ul>	<ul style="list-style-type: none"> <li>• High capital cost</li> <li>• Current cohort of learners continue to be taught in sub-standard accommodation</li> <li>• Significant reduction in outdoor space</li> <li>• College unwilling to invest in a partial facility (e.g. vocational only)</li> <li>• Model does not optimise the Learning Skills Measure</li> </ul>
<b>Opportunities</b>	<b>Threats</b>
<ul style="list-style-type: none"> <li>• Effective use of public resources.</li> </ul>	<ul style="list-style-type: none"> <li>• Potential competition with NPTC Group of Colleges for A level places</li> <li>• Pupil drift (pupil flight) to other schools outside of the Brecon area</li> <li>• Loss of highly skilled staff due loss of 6<sup>th</sup> form in Brecon</li> <li>• Lack of public and political support</li> <li>• More complicated transport arrangements and potentially higher transport costs</li> </ul>

**Table 39: SWOT Analysis – Option 7**

<b>Option 7 – Establish new single sited (11-18) secondary school to replace Brecon HS and Gwernyfed HS</b>	
<b>Strengths</b>	<b>Weaknesses</b>
<ul style="list-style-type: none"> <li>• Optimises space and includes joint learning</li> <li>• Enhanced teaching and learning facilities result in enhanced educational outcomes</li> <li>• Provision matches current and long term pupil projections</li> </ul>	<ul style="list-style-type: none"> <li>• High capital cost</li> <li>• Current cohort of learners continue to be taught in sub-standard accommodation</li> <li>• Potential reduction in outdoor space</li> <li>• College unwilling to invest in a partial facility (e.g. vocational only)</li> </ul>

Option 7 – Establish new single sited (11-18) secondary school to replace Brecon HS and Gwernyfed HS	
Strengths	Weaknesses
<ul style="list-style-type: none"> <li>Provides 21st Century Secondary school facilities (and removes category D building)</li> <li>Addresses surplus places issue</li> <li>Allows for step change improvement – therefore no construction disruption</li> <li>Provides a clear learning pathway (11-18yrs)</li> <li>Existing site released for development and a potential capital receipt</li> </ul>	<ul style="list-style-type: none"> <li>Model does not optimise the Learning Skills Measure</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>Effective use of public resources</li> </ul>	<ul style="list-style-type: none"> <li>The college is offering a broader range of A levels from the Brecon campus from September 2015 – and the competition is likely to affect 6th form numbers at the new school</li> <li>Pupil drift (pupil flight) to other schools outside of the Brecon/Gwernyfed areas</li> <li>Lack of public and political support</li> <li>More complicated transport arrangements and potentially higher transport costs</li> </ul>

Table 40: SWOT Analysis – Option 10

Option 10 – Establish new build Lifelong Learning Campus to include a new secondary school 11 – 18, replacing Brecon HS and Gwernyfed HS, & new Vocational College	
Strengths	Weaknesses
<ul style="list-style-type: none"> <li>Potential for co-location of Secondary school and College facilities</li> <li>Enhanced teaching and learning facilities result in enhanced educational outcomes</li> <li>Provision matches current and long term pupil projections</li> <li>Provides 21st Century Secondary school facilities (and removes category D building)</li> <li>Addresses surplus places issue</li> <li>Allows for step change improvement – therefore no construction disruption</li> <li>Provides a clear learning pathway (11-</li> </ul>	<ul style="list-style-type: none"> <li>High capital cost – limitations to Welsh Government funding</li> <li>Current cohort of learners continue to be taught in sub-standard accommodation (particularly Brecon High School site)</li> <li>Significant reduction in outdoor space</li> </ul>

<b>Option 10 – Establish new build Lifelong Learning Campus to include a new secondary school 11 – 18, replacing Brecon HS and Gwernyfed HS, &amp; new Vocational College</b>	
<b>Strengths</b>	<b>Weaknesses</b>
<p>18yrs)</p> <ul style="list-style-type: none"> <li>• Existing site released for development and a potential capital receipt</li> <li>• Continuity of Post 16 education in Brecon and surrounding areas</li> <li>• Optimisation of the Learning Skills Measure</li> </ul>	
<b>Opportunities</b>	<b>Threats</b>
<ul style="list-style-type: none"> <li>• Optimises the link between learners and the local business community</li> <li>• Potential to share best practice between Council (School) and College staff</li> <li>• Greater opportunities for specialisation and career development for school and college staff</li> <li>• To utilise the reduced revenue (operational costs) for other schools within the County</li> </ul>	<ul style="list-style-type: none"> <li>• May still be unnecessary competition between the County Council and NPTC Group of Colleges</li> </ul>

**Table 41: SWOT Analysis – Option 11**

<b>Option 11 – Establish new build Lifelong Learning Campus to include a new secondary school 11 – 16, replacing Brecon HS and Gwernyfed HS &amp; new Sixth Form/Vocational College</b>	
<b>Strengths</b>	<b>Weaknesses</b>
<ul style="list-style-type: none"> <li>• Offers a one stop shop for learning</li> <li>• Is highly transformational</li> <li>• Addresses the issues raised (re sustainability) in the PWC interim report (in respect of Secondary and Post 16 education in the County)</li> <li>• Co-location of Secondary school and College</li> <li>• Optimises space and includes joint learning facilities</li> <li>• Optimises potential efficiencies – both financial and environmental</li> <li>• Inclusion of PRU within the campus means that an existing Powys CC asset can be released for sale or other use</li> <li>• Enhanced teaching and learning facilities</li> </ul>	<ul style="list-style-type: none"> <li>• High capital cost – limitations to Welsh Government funding</li> <li>• Current cohort of learners continue to be taught in sub-standard accommodation (particularly at Brecon High School site)</li> <li>• Significant reduction in outdoor space</li> </ul>

**Option 11 – Establish new build Lifelong Learning Campus to include a new secondary school 11 – 16, replacing Brecon HS and Gwernyfed HS & new Sixth Form/Vocational College**

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>result in enhanced educational outcomes</li> <li>• Provision matches current and long term pupil projections</li> <li>• Provides 21st Century Secondary school facilities (and removes category D building)</li> <li>• Addresses surplus places issue</li> <li>• Allows for step change improvement – therefore no construction disruption</li> <li>• Provides a clear learning pathway (11-19yrs)</li> <li>• Existing site released for development and a potential capital receipt</li> <li>• Continuity of Post 16 education in Brecon</li> <li>• Replaces unviable 6th forms</li> <li>• Optimisation of the Learning Skills Measure</li> <li>• Removes unnecessary competition between the County Council and NPTC</li> <li>• Supports the County Council's Welsh Medium strategy in South Powys</li> <li>• Encourages collaboration instead of competition</li> </ul>	
Opportunities	Threats
<ul style="list-style-type: none"> <li>• Optimises the link between learners and the local business community</li> <li>• Potential to share best practice between Council (School) and College staff</li> <li>• Greater opportunities for specialisation and career development for school and college staff</li> <li>• To utilise the reduced revenue (operational costs) for other schools within the County</li> <li>• Greater opportunities for learners and local businesses to work together</li> </ul>	<ul style="list-style-type: none"> <li>• Unknown cost of new travel arrangements</li> </ul>

## 3.7 Economic Appraisal

### 3.7.1 Introduction

This section provides a detailed overview of the main costs and benefits associated with each of the selected options. Importantly, it indicates how they were identified and the main sources and assumptions. More detailed information is shown for each cost and benefit line within the economic appraisals in Appendix B Economic and Financial Analysis.

Please note that values and figures (both input values and respective totals) in the results and analysis tables are all shown to the nearest thousand pound (£'000).

### 3.7.2 Estimating Benefits

#### Methodology

The benefits associated with each option were identified utilising a workshop-based methodology. The workshop was held on Thursday 30<sup>th</sup> April 2015 with stakeholders from both Powys County Council and Neath Port Talbot College Group. During the workshop, the benefits were initially reviewed to check relevance; the benefits were then grouped according to categories developed by stakeholders. The groups were weighted to allow for the importance of each benefit group to be considered. Finally, the groups of benefits were scored (out of 20, with 20 being the maximum score) against each of the three short-listed options to provide an overall score and rank. Benefits scores for each option were discussed by the workshop participants and they agreed and confirmed that the scores were fair and reasonable. The workshop also quantified the financial benefits of the project, for each of the options, so that they could be included in the economic appraisal.

Benefits identified fell into the following categories, and are described as having direct or indirect benefit to the organisation.

- Quantitative (or quantifiable)
- Cash Releasing
- Qualitative (or non-quantifiable)

The benefits identified are described in the following table.

**Table 42: Main Benefits**

Type	Direct to Organisation(s)	Indirect to Organisation(s)
Quantitative (or quantifiable)	<ul style="list-style-type: none"> <li>• Ability to optimise distribution of funds</li> <li>• Access to a wider range of teaching materials (state of the art ICT and other emerging technologies)</li> <li>• Allows a wider participation in Further Education and Higher Education.</li> <li>• Attracts a high calibre of staff</li> <li>• Better facilities provided due to more money being made available to the college</li> <li>• Better teams (e.g. sports) – improved results, more pride and enhanced reputation</li> <li>• Coordinated facilities management</li> <li>• Develops strategic links with partner organisations</li> <li>• Economies of scale will lead to a wider range of better, more up to date specialist vocational facilities</li> <li>• Enhanced staff and administrative facilities</li> <li>• Ensure the viability of educational provision</li> <li>• Equality of opportunity to access excellent teaching and learning experiences</li> <li>• Greater ability to share resources</li> <li>• Greater ability to target specific need</li> <li>• Greater learning opportunities to improve learners' key skills</li> <li>• Greater opportunities to use a wider range of different learning / teaching styles</li> <li>• Greater opportunity for flexible working practices e.g. team teaching</li> <li>• Improved access to learning materials (physical, academic and emotional)</li> <li>• Improved accessibility to all areas of the site</li> <li>• Improved attendance</li> <li>• Improved engagement with the learning process</li> <li>• Improved levels of recruitment, quality, retention and reputation of staff</li> <li>• Improved sustainable employment &amp; job satisfaction</li> <li>• Increased access to learning, sporting</li> </ul>	<ul style="list-style-type: none"> <li>• A better educated and more engaged community results in an improved employment rate with reduced deprivation</li> <li>• Enhanced life chances and employment opportunities</li> <li>• Improved coordination of transport provision</li> <li>• Improved facilities mean more choice for Young People in the South Powys area</li> <li>• Improved learning outcomes for learners and families</li> <li>• Produces a more skilled set of students, prepared for entry into Higher Education or employment.</li> <li>• Supporting the local business community</li> </ul>

Type	Direct to Organisation(s)	Indirect to Organisation(s)
	<ul style="list-style-type: none"> <li>and cultural opportunities</li> <li>• Increased critical mass of staff that enables the sharing of opportunities via professional learning communities</li> <li>• Increased critical mass of students supports the development of staff expertise and specialisms</li> <li>• Increased flexibility of accommodation to meet demands and expectations of stakeholders</li> <li>• Increased opportunities for continuous professional development</li> <li>• Increased room utilisation rates</li> <li>• Increased use of full curriculum offer without need to travel during the day between sites.</li> <li>• More efficient use of premises / estate</li> <li>• More students enrolled, resulting in a reduced cost per student.</li> <li>• Opportunities to benefit from a wider range of learning opportunities and skills.</li> <li>• Supports 'talent' to stay local</li> <li>• Wider range of curricular and non-curricular opportunities</li> <li>• Zoned and bespoke facilities for flexible community use</li> </ul>	
Cash releasing	<ul style="list-style-type: none"> <li>• Financial benefits through increase demand from students, as a result of success</li> <li>• Greater potential to reinvest revenue and capital</li> <li>• Improved borrowing capacity</li> <li>• Improved energy efficiency of estate</li> <li>• New facilities attract increased numbers of students and funding.</li> <li>• Reduced building operating costs</li> <li>• Backlog maintenance savings</li> <li>• Increased income from professional courses within a newer, more appropriate environment</li> <li>• Potential for commercial lettings</li> <li>• Reduction in advertising costs for teaching staff</li> <li>• Some sharing of back office, support staff (e.g. IT)</li> </ul>	<ul style="list-style-type: none"> <li>• Revenue savings released maintain Council's eligibility for capital (prudential) borrowing</li> </ul>

Type	Direct to Organisation(s)	Indirect to Organisation(s)
Qualitative (or non-quantifiable)	<ul style="list-style-type: none"> <li>• A modern, flexible and sustainable college will be better able to adapt to the changing needs of employers as technologies and economies demand.</li> <li>• Creating independent learners</li> <li>• Greater engagement with the wider community</li> <li>• Greater potential for social interaction through increased number of peer groups and role models</li> <li>• Greater understanding of sustainable development and environmental issues in new learning centre</li> <li>• Improved college/school reputation</li> <li>• Improved professional credibility and integrity</li> <li>• Increased health and wellbeing of staff &amp; students</li> <li>• Inspired learning</li> <li>• More opportunities to facilitate distributed leadership and increased responsibilities</li> <li>• Professional challenge to deliver new subjects</li> <li>• Wide range of specialist vocational provision increasing access to potential employees trained to a high standard with the skills they need.</li> </ul>	<ul style="list-style-type: none"> <li>• Community regeneration and sustainability</li> <li>• Confidence in public funds being used efficiently</li> <li>• Courses tailored to local needs</li> <li>• Development of community spirit and identity</li> <li>• Enhanced status for Brecon – catalyst for inward investment and economic growth</li> <li>• Improved community links and facilities ensuring community cohesion</li> <li>• Improved community pride, self-esteem, confidence and sense of belonging</li> <li>• Learners/pupils contributing more positively to society</li> <li>• Reduction in crime, anti-social behaviour and disaffection</li> </ul>

### 3.7.3 Estimating Costs

#### Methodology

Costs were estimated by the attendees at the Risk workshop held on the 29<sup>th</sup> April 2015. All costing and values were agreed by the group and, where a formal cost needed development, this was done in accordance with RICS and CIPFA guidelines.

#### Description, Sources and Assumptions

The costs identified fell into the following **main** categories:

- Design and build costs for the new school
- Teaching staff costs – minus necessary redundancy costs
- Management and support costs

- Building maintenance
- Running costs (e.g. utilities)

The summary costs are included in the economic appraisals in Appendix A Economic and Financial Analysis.

### 3.7.4 Net Present Value Findings

The detailed economic appraisals for each option are attached in Appendices A and B. The short-listed options have appraised over 60 years, using modelled revenue costs (including school transport); capital costs and optimism bias. The following tables summarises the key results of the economic appraisals for each option:

**Table 43: Key Results of Economic Appraisals: Option 1**

<b>Option 1 Do Nothing' - refurbish school, leisure facilities &amp; college.</b>		
	<b>Undiscounted (£'000s)</b>	<b>Net Present Value (£'000s)</b>
Refurbishment Capital Costs	-£19,303	-£18,976
Opportunities Forgone	-£6,976	-£5,873
Revenue/Current Cost	-£388,675	-£170,132
Lifecycle Costs	-£19,360	-£5,980
Project Risk	-£6,560	-£6,449
Optimism Bias	-£2,056	-£2,021
<b>Total costs</b>	<b>-£442,929</b>	<b>-£209,431</b>
<b>Less:</b> cash releasing benefits	£0	£0
Costs net cash savings	-£442,929	-£209,431
<b>Total</b>	<b>-£442,929</b>	<b>-£209,431</b>

**Table 44: Key Results of Economic Appraisals: Option 4**

<b>Option 4 New build Brecon High School 11-18</b>		
	<b>Undiscounted (£'000s)</b>	<b>Net Present Value (£'000s)</b>
New Build Capital Cost	-£11,991	-£10,462
Refurbishment Capital Cost	-£19,303	-£18,976
Opportunities Forgone	-£6,976	-£5,873
Revenue Cost	-£388,675	-£170,132
Lifecycle Costs	-£19,488	-£6,019
Project Risk	-£2,479	-£2,163
Optimism Bias	-£844	-£736
<b>Total costs</b>	<b>-£449,755</b>	<b>-£214,362</b>
<b>Less:</b> cash releasing benefits	£0	£0
Costs net cash savings	-£449,755	-£214,362
<b>Total</b>	<b>-£449,755</b>	<b>-£214,362</b>

**Table 45: Key Results of Economic Appraisals: Option 7**

<b>Option 7 Establish new single sited secondary school to replace Brecon HS and Gwernyfed HS 11 – 18</b>		
	<b>Undiscounted (£'000s)</b>	<b>Net Present Value (£'000s)</b>
New Build Capital Cost	-£20,473	-£17,863
Refurbishment Capital Cost	-£11,001	-£10,815
Opportunities Forgone	-£2,670	-£2,248
Revenue Cost	-£372,285	-£163,752
Lifecycle Costs	-£16,658	-£5,145
Project Risk	-£2,527	-£2,204
Optimism Bias	-£872	-£761
<b>Total costs</b>	<b>-£426,485</b>	<b>-£202,789</b>
<b>Less:</b> cash releasing benefits	£5,807	£2,492

Costs net cash savings	-£420,678	-£200,297
<b>Total</b>	<b>-£420,678</b>	<b>-£200,297</b>

**Table 46: Key Results of Economic Appraisals: Option 10**

<b>Option 10 Establish new build Lifelong Learning Campus to include a new secondary school 11 – 18, replacing Brecon HS and Gwernyfed HS, &amp; new Vocational College</b>		
	<b>Undiscounted (£'000s)</b>	<b>Net Present Value (£'000s)</b>
New Build Capital Cost	-£45,423	-£39,633
Opportunities Forgone	-£2,670	-£2,248
Revenue Cost	-£371,400	-£163,408
Lifecycle Costs	-£19,078	-£5,879
Project Risk	-£3,030	-£2,644
Optimism Bias	-£1,553	-£1,355
<b>Total costs</b>	<b>-£443,155</b>	<b>-£215,167</b>
<b>Less:</b> cash releasing benefits	£5,807	£2,492
Costs net cash savings	-£437,347	-£212,675
<b>Total</b>	<b>-£437,347</b>	<b>-£212,675</b>

**Table 47: Key Results of Economic Appraisals: Option 11**

<b>Option 11 Establish new build Lifelong Learning Campus to include a new secondary school 11 – 16, replacing Brecon HS and Gwernyfed HS &amp; new Sixth Form/Vocational College.</b>		
	<b>Undiscounted (£'000s)</b>	<b>Net Present Value (£'000s)</b>
New Build Capital Cost	-£45,423	-£39,633
Opportunities Forgone	-£2,670	-£2,248
Lifecycle Costs	-£19,078	-£5,892
Revenue Cost	-£364,210	-£160,609
Project Risk	-£3,030	-£2,644
Optimism Bias	-£1,553	-£1,355
<b>Total costs</b>	<b>-£435,965</b>	<b>-£212,381</b>
<b>Less:</b> cash releasing benefits	£12,783	£8,365
Costs net cash savings	-£423,182	-£204,016

<b>Total</b>	<b>-£423,182</b>	<b>-£204,016</b>
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Please note that the revenue / lifecycle cost totals shown in the tables above consist of the elements shown in the table below.

**Table 48: Element of Revenue / Lifecycle Costs**

<b>Option</b>	<b>Years</b>	<b>Cost Elements</b>	<b>Undiscounted Value (£'000)</b>
Option 1	Years 0 - 59	Existing Revenue Cost	-£6,478
	Years 0 – 59 See spreadsheet for profile	Lifecycle Cost	-£19,360
Option 4	Years 0 - 59	Existing Revenue Cost	-£6,478
	Years 0 – 59 See spreadsheet for profile	Lifecycle Cost	-£19,488
Option 7	Years 0 - 5	Existing Revenue Cost	-£6,478
	Years 6 – 59 See spreadsheet for profile	New Revenue Cost	-£6,178
		Lifecycle Cost	-£16,658
	Years 0 - 5	Existing Revenue Cost	-£6,478
	Years 6 - 59	New Revenue Cost	-£6,162
		Lifecycle Cost	-£19,078
Option 11	Years 0 - 5	Existing Revenue Cost	-£6,478
	Years 6 - 59	New Revenue Cost	-£6,030
		Lifecycle Cost	-£19,078

### 3.7.5 Option Ranking

The results are summarised and shown in the following table.

**Table 49: Summary of Results**

Option	Description	NPV (£'000s)	Cash benefit	Non cash benefit	Cost net cash savings
1	'Do Nothing' - refurbish schools & college.	4	=4	5	4
4	New build Brecon High School 11-18	5	=4	4	5
7	Establish new single sited secondary school to replace Brecon HS and Gwernyfed HS 11 – 18	1	=2	3	1
10	Establish new build Lifelong Learning Campus to include a new secondary school 11 – 18, replacing Brecon HS and Gwernyfed HS, & new Vocational College	3	=2	2	3
• 11	Establish new build Lifelong Learning Campus to include a new secondary school 11 – 16, replacing Brecon HS and Gwernyfed HS & new Sixth Form Academy/Vocational College.	2	1	1	2

### 3.7.6 Option Appraisal Conclusions

Option 11 has the second most economically advantageous undiscounted cost profile and Net Present Cost (NPC). However, Option 11 offers the most benefits to Powys County Council and is therefore confirmed as the preferred option, largely due to the fact that the Council now understands that Post 16 education is not sustainable within schools in the South of Powys (i.e. that the learning skills measure cannot be optimised, nor can the broadest range of A levels be issued within that framework).

### 3.7.7 Qualitative Benefits Appraisal

#### Methodology

A common methodology was adopted for the appraisal of all of the benefits and is summarised below:

- The benefits were grouped according to categories developed by stakeholders.
- The benefit groups were weighted to allow for the importance of each benefit group to be considered.

- The groups of benefits were scored (out of 20, with 20 being the maximum score) against each of the three short-listed options to provide an overall score and rank.

### Qualitative Benefits Criteria

All of the benefits from the OBC were grouped into four categories, and the benefit groups were then weighted by the project team in order to provide an assessment against the three options. The following table illustrates the four benefit groups and provides examples of the benefits that were aligned to each group. The weighting was agreed by the workshop members.

**Table 50: Benefit Grouping and Weighting**

Benefit Groups	Example of Benefits	Weight
Standards and Breadth of Education	<ul style="list-style-type: none"> <li>Increased critical mass of students supports the development of staff expertise and specialisms</li> <li>Improved learning outcomes for learners and families</li> <li>Wide range of specialist vocational provision increasing access to potential employees trained to a high standard with the skills they need.</li> <li>Improved levels of recruitment, quality, retention and reputation of staff</li> <li>Greater potential for social interaction through increased number of peer groups and role models</li> <li>Increased use of full curriculum offer without need to travel during the day between sites.</li> <li>Opportunities to benefit from a wider range of learning opportunities and skills.</li> <li>Access to a wider range of teaching materials (state of the art ICT and other emerging technologies)</li> <li>Produces a more skilled set of students, prepared for entry into Higher Education or employment.</li> </ul>	40%
Standards of Estate and Facilities	<ul style="list-style-type: none"> <li>Zoned and bespoke facilities for flexible community use</li> <li>Reduced building operating costs</li> <li>Economies of scale will lead to a wider range of better, more up to date specialist vocational facilities</li> <li>Coordinated facilities management</li> <li>Improved energy efficiency of estate</li> <li>Increased flexibility of accommodation to meet demands and expectations of stakeholders</li> <li>More efficient use of premises / estate</li> </ul>	10%

Benefit Groups	Example of Benefits	Weight
	<ul style="list-style-type: none"> <li>• Improved accessibility to all areas of the site</li> </ul>	
Financial Sustainability	<ul style="list-style-type: none"> <li>• Financial benefits through increase demand from students, as a result of success</li> <li>• More students enrolled, resulting in a reduced cost per student.</li> <li>• Greater ability to share resources</li> <li>• New facilities attract increased numbers of students and funding.</li> <li>• Better facilities provided due to more money being made available to the college</li> <li>• Ability to optimise distribution of funds</li> <li>• Ensure the viability of educational provision</li> </ul>	35%
Contributing to the Regen of South Powys	<ul style="list-style-type: none"> <li>• Supporting the local business community</li> <li>• A better educated and more engaged community results in an improved employment rate with reduced deprivation</li> <li>• Courses tailored to local needs</li> <li>• Improved community links and facilities ensuring community cohesion</li> <li>• Enhanced status for Brecon – catalyst for inward investment and economic growth</li> <li>• Greater engagement with the wider community</li> <li>• A modern, flexible and sustainable college will be better able to adapt to the changing needs of employers as technologies and economies demand.</li> <li>• Community regeneration and sustainability</li> <li>• Increased access to learning, sporting and cultural opportunities</li> </ul>	15%

### 3.7.8 Qualitative Benefits Scoring

Each of the benefit groups were scored on a range of 0-20 for each option. These scores were agreed by the workshop participants to confirm that the scores were fair and reasonable.

### 3.7.9 Analysis of Key Results

The results of the benefits appraisal are shown in the table below.

**Table 51: Benefits Appraisal Results**

Benefit Group	Weight	Maximum Score	Workshop Scores					Weighted Scores				
			Option 1	Option 4	Option 7	Option 10	Option 11	Option 1	Option 4	Option 7	Option 10	Option 11
Standards and Breadth of Education	40	20	2	5	12	14	18	80	200	480	560	720
Standards of Estate and Facilities	10	20	1	6	13	18	18	10	60	130	180	180
Financial Sustainability	35	20	2	5	12	16	18	70	175	420	560	630
Contributing to the Regen of South Powys	15	20	6	8	12	12	14	90	120	180	180	210
<b>Total</b>	<b>100</b>		<b>11</b>	<b>24</b>	<b>49</b>	<b>60</b>	<b>68</b>	<b>250</b>	<b>555</b>	<b>1210</b>	<b>1480</b>	<b>1740</b>
<b>Rank</b>			<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>

The key considerations that influenced the scores achieved by the various options were as follows:

#### Option 1: 'Do nothing' – Refurbish schools and college

- This option ranks as last of the short listed options, with a weighted score of 250 points.
- The 'Do minimum' option is considered to be a 'worst case' scenario, as it does not offer any increased potential to raise education standards, reduce surplus places, increase accessibility for wider provision or generate financial and environmental efficiencies.

#### Option 4: New build Brecon High School 11-18

- This option ranks as 4<sup>th</sup> of the short listed options, with a weighted score of 555 points.
- This option only offers opportunity for improvement at only one of the potential three parties who could be involved which therefore limits the scope of potential improvement.

#### Option 7: Establish new single sited secondary school to replace Brecon HS and Gwernyfed HS 11 – 18

- This option ranks as 3<sup>rd</sup> of the short listed options, with a weighted score of 1210 points.
- This option offers opportunities for improvement at two parties to the project and therefore scores relatively highly under all four benefit categories.

Option 10: Establish new build Lifelong Learning Campus to include a new secondary school 11 – 18, replacing Brecon HS and Gwernyfed HS, & new Vocational College

- This option ranks as 2<sup>nd</sup> of the short listed options, with a weighted score of 1480 points.
- This option offers opportunities for improvement inherent through a wider project scope that includes post 16 vocational education. The increased scope allows for further efficiencies, rationalisation and joined up working across secondary and post 16 education not achievable through the preceding options.

Option 11: Establish new build Lifelong Learning Campus to include a new secondary school 11 – 16, replacing Brecon HS and Gwernyfed HS & new Sixth Form Academy/Vocational College.

- This option ranks as 1<sup>st</sup> of the short listed options, with a weighted score of 1740 points.
- This option which encompasses the widest possible scope also offers the potential for the greatest possible benefits of the short listed options. Many of the benefits achievable under the other short listed options become further magnified through the cumulative effect of including both a sixth form academy and a vocational college. While the group believed that this option offered the largest opportunity for benefit maximisation, the group did not award the maximum potential marks available because it was felt that options for widening the scope even further, that did not progress to the short list, could potentially have offered even greater levels of benefits.

## 3.8 Risk Appraisal

### Methodology

Risk appraisal has been undertaken and involved the following distinct elements:

- Identifying the possible Business Service and External risks associated with each option
- Assessing the impact and probability for each option
- Calculating a risk score.

## Likelihood and Impact Risk Scores

The workshop (30<sup>th</sup> April 2015) assigned the risk scores shown in the following table on the basis of participants' judgment and assessment of previous procurements. The range of scales used to quantify risk followed the corporate risk assessment process as approved by Powys County Council Cabinet. The likelihood and impact scores are summarised below:

Probability:

- Low = 1 - Not likely to occur or may happen once every 20 years;
- Medium = 2 - Possible or may happen within 10 years;
- High = 3 - Likely or may happen once a year;
- Very High = 4 - Certain or happens several times a year.

Impact:

- Low = 1;
- Medium = 2;
- High = 3;
- Catastrophic = 4.

The likelihood is multiplied by the impact score to provide a "risk score". The table below shows a summary of the risk scores for the three short-listed options. The main risks fall into three categories namely Service Risk (SR), Business Risk (BR) and External environmental risk (EER).

The key considerations that influenced the scores achieved by the various options are as follows:

**Table 52: Summary of the Risk Appraisal Results**

No	Summary of Risk	Risk category	Option 1	Option 4	Option 7	Option 10	Option 11
1.	The risk that there will be an undermining of customer's/media's perception of the organisation's ability to fulfil its business requirements – for example, adverse publicity concerning an operational problem	SR	6	4	6	6	6
2.	Continuity of 21st century funding not sustained by mainstream funding	SR	2	8	8	8	8
3.	Newly redeveloped or built school may attract pupils from other schools or catchment areas	EER	1	4	6	9	9

No	Summary of Risk	Risk category	Option 1	Option 4	Option 7	Option 10	Option 11
4.	Delay in WG approval of OBC	SR/ EER	6	6	6	6	6
5.	Availability of Capital funding, both in terms of Capital allocation from WG and self-funding/funding from Neath Port Talbot county Council.	SR	1	12	8	8	8
6.	Feasibility unproven - in terms of SIS/Ecology	SR / EER	1	6	6	6	6
7.	Lack of stakeholder support for scheme	SR	6	2	6	6	6
8.	Lack of adequate revenue funding stream	SR	9	9	6	6	3
9.	Lack of timely decision making at Neath Port Talbot CC	SR	1	4	9	9	9
10.	Unsuccessful schools re-organisation and consultation process. Low level of public support for scheme.	EER	6	2	6	6	6
11.	Failure to develop and implement plan and processes to manage staff and learners prior, during and post commissioning of the new/existing/alternative facilities	SR	3	3	6	6	6
12.	For any number of unforeseen reasons, arising from risk and uncertainty, the construction costs increase beyond original cost estimates	SR / EER	1	6	6	6	6
13.	Failure to gain planning and environmental approvals or acquire land for new construction	SR / EER	1	6	6	6	9
14.	Curriculum developed fails to engage learners - inadequate facilities to deliver broader curriculum	SR	12	9	6	6	3
15.	Statutory consultation fails	EER	3	3	6	6	6

No	Summary of Risk	Risk category	Option 1	Option 4	Option 7	Option 10	Option 11
16.	Health and Safety - e.g. Injuries/incidents during construction leading to delays/injury investigation/claims for compensation/prosecution	SR	2	2	2	2	2
17.	The risk that design cannot deliver the services to the required quality of Educational Provision standards.	SR	12	6	3	3	3
18.	The risk that the construction of physical assets is not completed on time, to budget and to specification	SR	1	6	6	6	6
19.	The risk that the quality/quantity of initial intelligence (for example, preliminary site investigation) will impact on the likelihood of unforeseen problems occurring.	SR	1	4	4	4	4
20.	The risk arising in accommodation projects relating to the need to decant staff/clients from one site to another	SR	1	2	4	4	4
21.	The risk that the nature of the project has a major impact on its adjacent area and there is a strong likelihood of objection from the general public.	SR	1	2	4	4	4
22.	The risk that can arise from the contractual arrangements between two parties – for example, the capabilities of the contractor/ when a dispute occurs	SR	1	6	6	6	6
23.	The risk that the quantum of service provided is less than that required under the contract	SR	1	3	3	3	3
24.	The risk that the demand for a service does not match the levels planned, projected or	SR	9	9	9	6	6

No	Summary of Risk	Risk category	Option 1	Option 4	Option 7	Option 10	Option 11
	assumed						
25.	The risk that actual community usage of the service varies from the levels forecast as a benefit.	SR/ EER	1	9	9	6	4
26.	The risk that changes in technology result in services being provided using sub-optimal technical solutions	SR / EER	4	2	2	2	2
27.	The risk relating to the uncertainty of the values of physical assets at the end of the contract period	EER	1	1	1	4	4
28.	Profile of capital expenditure incorrect	SR/ EER	1	6	6	6	6
29.	The risk that project outcomes are sensitive to economic influences – for example, where actual inflation differs from assumed inflation rates	EER	1	4	4	4	4
30.	The risk that policy & legislative change increases costs. This can be divided into secondary legislative risk (for example, changes to corporate taxes) and primary legislative risk (for example, specific changes which affect a particular project)	EER	1	6	9	6	6
31.	A change in political climate at WG level	EER	1	2	3	3	3
32.	A change in political climate at County level	EER	2	6	6	6	6
33.	Outcome of internal decision making (i.e. Decisions made against officer recommendations)	SR	6	9	6	6	6
34.	Loss of experienced staff	SR	1	6	6	6	6
<b>Total</b>			<b>107</b>	<b>175</b>	<b>190</b>	<b>187</b>	<b>182</b>

No	Summary of Risk	Risk category	Option 1	Option 4	Option 7	Option 10	Option 11
Rank			1	2	5	4	3

### Quantifiable Risk Scores

The risk workshop undertaken on 30<sup>th</sup> April 2015 was revisited on 5<sup>th</sup> October 2015, where risk levels were recalculated. This workshop was conducted to assign, where possible, a value to the key risks to project development. The results can be seen in the following table.

In summary, the retained risk levels for each of the options are:

- Option 1: £6.560M;
- Option 4: £2.479M;
- Option 7: £2.527M;
- Option 10: £3.030M;
- Option 11: £3.030M.

**Table 53: Risk as a % of Capital (£000s)**

(£,000)	Option 1	Option 4	Option 7	Option 10	Option 11
Capital / Backlog	£18,581	£30,985	£31,474	£45,423	£45,423
Risk	£6,560	£2,479	£2,527	£3,030	£3,030
Risk % of capital	35.3%	8%	8.03%	6.67%	6.67%

## 3.9 The Preferred Option

The results of the investment appraisal are outlined below. Option 11 has the best aggregate score, followed by Option 7 and then Option 10. The overall conclusion from this analysis is that Option 11 offers the best mix of economic value and derived benefits and is therefore the preferred option.

**Table 54: Summary of Overall Results**

Evaluation Results	Option 1	Option 4	Option 7	Option 10	Option 11
Economic appraisals	3	5	1	4	2
Benefits appraisal	5	4	3	2	1
Risk appraisal	1	2	5	4	3
<b>Overall Ranking</b>	<b>=2</b>	<b>5</b>	<b>=2</b>	<b>4</b>	<b>1</b>

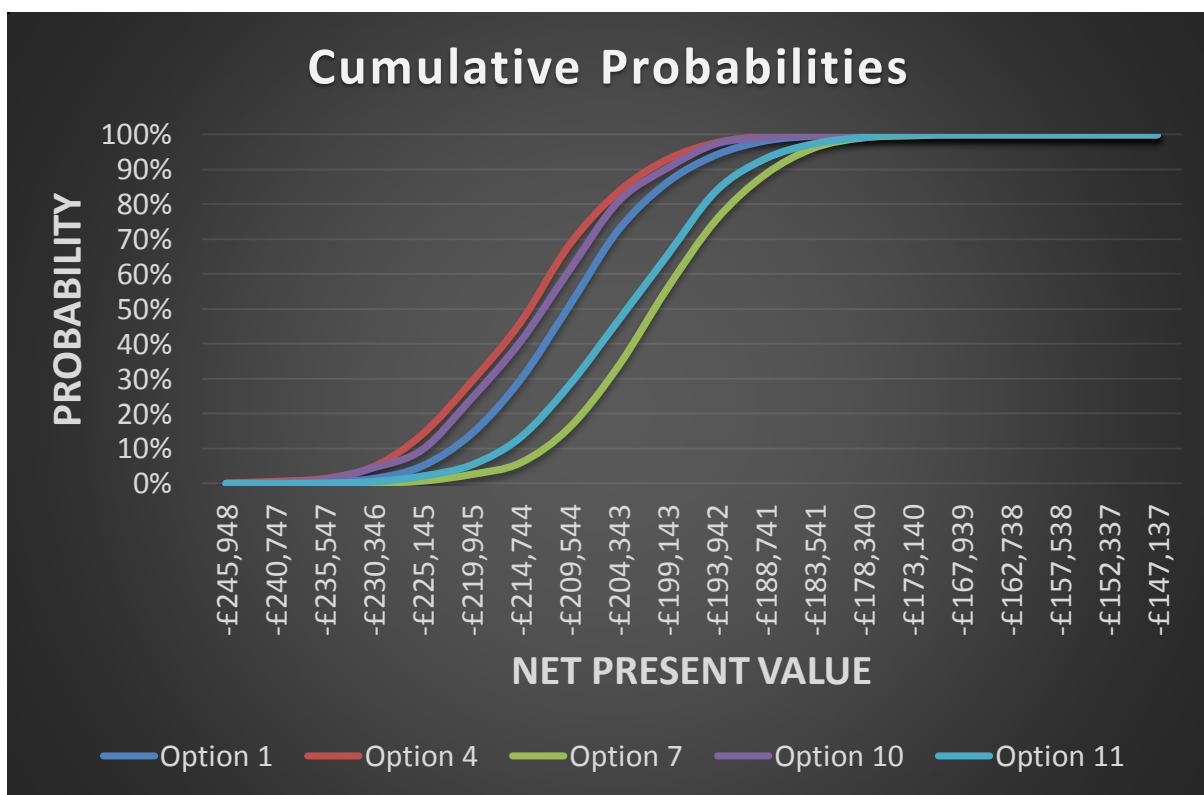
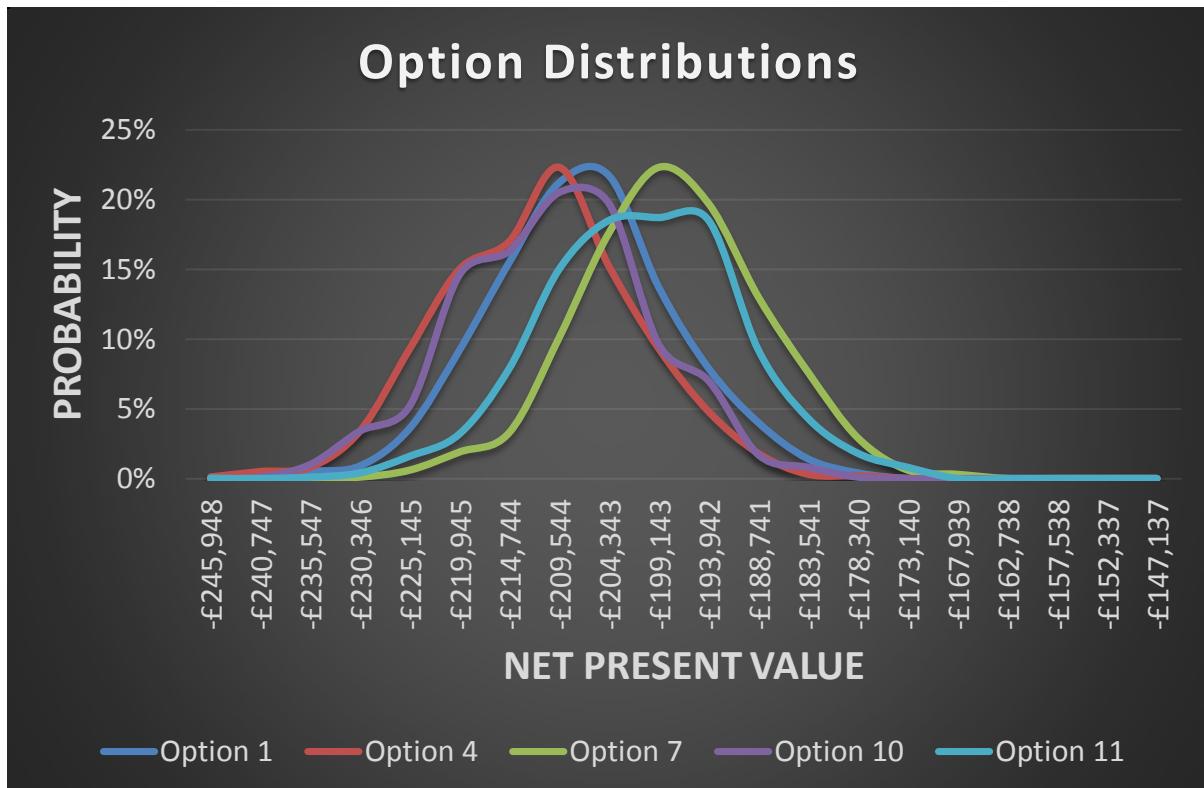
## 3.10 Monte Carlo Simulation

In order to make the scenario planning more robust (and less linear), we have completed a Monte Carlo Simulation in this business case. The simulation uses the following cost elements as variables: backlog maintenance/new build capital, old revenue cost, new revenue cost, lifecycle cost, capital receipts and new community lettings. Monte Carlo simulation uses random number generation to provide a set of predictive results. Charting these results can allow you to determine the probability of a particular result or set of results occurring.

Each variable went through 1000 iterations of number generation to produce a Normal or Gaussian distribution of the potential results obtainable. A normal distribution for the data was chosen as the results should conform to central tendency theorem, being clustered around the estimated value rather than being uniformly distributed between two points.

Once the variables for each option were simulated, the results were used as the input for 27 different potential 'What if' scenarios based along the three dimensions of capital, revenue and savings. The scenarios were used to demonstrate the sensitivity between the different variables, providing 27 (+1 base value) different potential outcomes for NPV per option. More detail is shown in Appendix C: Monte Carlo Simulation.

Finally, the mean and standard deviation values for the scenarios were used as the input variables for a further 1000 iterations of the simulation to produce a final Normal distribution curve for each of the four shortlisted options. The results are demonstrated in the two charts below.



As can be seen from the first chart each option displays the typical bell shaped curve indicative of a Normal distribution. The probability of any value occurring within this distribution can be read off the chart. Both charts clearly indicate that option 7 (green line) is

the least expensive option while option 4 (red line) is the most expensive option. What is also clear is that there is overlap across options 7 and 11 probability distributions, suggesting that small change in adverse or favourable conditions for any of the options could affect the result.

The results of the economic modelling reveal that six of the top twenty possible results derive from scenarios related to option 11, with four of those in the top ten. Option 7 continues to make a strong economic case and appears in the top twenty a total of nine times. A full table including the top 100 outcomes is included in Appendix C.

**Table 55: Summary of Overall Results**

Rank	Total NPV	Scenario No.	Option No.	Revenue	Capital	Savings	Points
1	-£185,032	84	Option 7	Best Case Capital	Best Case Revenue	Best Case Savings	140
2	-£185,361	83	Option 7	Best Case Capital	Best Case Revenue	Expected Case Savings	139
3	-£185,772	82	Option 7	Best Case Capital	Best Case Revenue	Worst Case Savings	138
4	-£186,138	140	Option 11	Best Case Capital	Best Case Revenue	Best Case Savings	137
5	-£187,352	139	Option 11	Best Case Capital	Best Case Revenue	Expected Case Savings	136
6	-£187,624	138	Option 11	Best Case Capital	Best Case Revenue	Worst Case Savings	135
7	-£188,631	75	Option 7	Expected Case Capital	Best Case Revenue	Best Case Savings	134
8	-£189,317	74	Option 7	Expected Case Capital	Best Case Revenue	Expected Case Savings	133
9	-£189,327	73	Option 7	Expected Case Capital	Best Case Revenue	Worst Case Savings	132
10	-£192,567	131	Option 11	Expected Case Capital	Best Case Revenue	Best Case Savings	131
11	-£192,801	66	Option 7	Worst Case Capital	Best Case Revenue	Best Case Savings	130
12	-£193,393	129	Option 11	Expected Case Capital	Best Case Revenue	Worst Case Savings	129
13	-£193,422	65	Option 7	Worst Case Capital	Best Case Revenue	Expected Case Savings	128
14	-£193,489	130	Option 11	Expected Case Capital	Best Case Revenue	Expected Case Savings	127
15	-£194,000	64	Option 7	Worst Case Capital	Best Case Revenue	Worst Case Savings	126
16	-£194,266	27	Option 1	Best Case Capital	Best Case Revenue	Expected Case Savings	125
17	-£194,481	26	Option 1	Best Case Capital	Best Case Revenue	Worst Case Savings	124
18	-£195,314	28	Option 1	Best Case Capital	Best Case Revenue	Best Case Savings	123
19	-£195,977	112	Option 10	Best Case Capital	Best Case Revenue	Best Case Savings	122
20	-£196,012	111	Option 10	Best Case Capital	Best Case Revenue	Expected Case Savings	121

Through ranking the 140 potential NPV results (28 x 5 options), it is possible to generate a total NPV score for each option. Each result was ranked from 1-140 with 140 points allocated for the highest (least costly) potential NPV through to 1 for the lowest (most costly) potential NPV. The full table can be seen in Appendix B: Monte Carlo Simulation. The scores were then cumulated for each option, with the highest score obtaining a final score of 100% and the other options scoring a percentage of that. The final results are displayed with table 36 below:

**Table 56: Summary of Overall Results**

Option No.	Score	Final Score
Option 1	1757	63.87%
Option 4	1186	43.11%
Option 7	2751	100.00%
Option 10	1452	52.78%
Option 11	2318	84.26%

## 4.0 The Commercial Case

### 4.1 Introduction

The 21st Century School Programme aims for WG and Local Government to deliver in collaboration:

- Learning environments for schools in Wales that will enable the successful implementation of strategies for school improvement and better educational outcomes;
- Greater economy and efficiency through better use of resources to improve the cost-effectiveness of the education estate; and
- A sustainable education system with all schools in Wales meeting national building standards and reducing the recurrent costs and carbon footprint of the public estate.

### 4.2 Required Services

The scope of the work for the development and associated outputs, have been specified and are contained within a 'Project Mandate' document.

The Council has established innovation in the design of the several aspects to the preferred option, including BREEAM Excellence. There has been (and continues to be) a full consultation exercise with the Headteachers and Governors of all schools, with a view to identifying innovative ways of meeting service requirements.

The development will require a full range of design and build professional expertise together with that of experienced planning and project management.

The specific details include:

- Quantity Surveying Support – to provide iterative cost plans;
- Design and Architecture support – to assist the internal design team in their final choice of school design and provide services as defined by the RIBA outline plan of works;
- Construction and build support – to build the new school, in line with the Council's preferred design;
- Carbon neutral and BREEAM consultant support – to advise on how BREEAM Excellence and Carbon neutrality can be achieved;
- Acoustic consultant support – to ensure the best acoustics possible within the school hall;
- Business Assurance support – to develop and validate a business case for the new school;
- European Protected Species specialist support – to ensure that Protected species are not affected by any proposed new school development;
- Environment and Ground Investigation Survey support – to ensure that the land earmarked for development (short-listed options) is suitable for the development.

These will include Civil and Structural Engineers; Building Services Engineers and Archaeological Surveyors.

The new facility will provide the following:

- A new learning all through school developing 11-18 education;
- The enhancement of the existing leisure centre to provide facilities for the school and the wider community.
- All of these services will be procured through the existing Council frameworks – in this instance the SEWSCAP framework.

### 4.3 Procurement Strategy – Current Frameworks

Three procurement strategy routes were considered in the Strategic Outline Plan Commercial Case. These included the following:

- Public/Private partnerships;
- Joint venture with the private sector;
- Conventional procurement routes utilising framework contractors.

Consideration of these procurement routes concluded that a Joint Venture with the private sector and the Public/Private Partnerships route were unfeasible in this instance of the following reasons:

- i. There was no commitment to further commercial opportunities of significant scale that could be offered to a separate private entity. This would reduce the commercial appeal of entering into a formal partnership or joint venture with Powys County Council.
- ii. Both Private/Public Partnerships and Joint Ventures are more complex and time consuming to set up and manage. Powys only has limited major construction projects to offer, therefore it is less likely that the fixed costs involved in setting up the partnerships would be recovered through down the line savings or savings achieved through quantities of scale.
- iii. Given the scale of development required within the Council's Band A 21<sup>st</sup> century Schools Programme, it is felt that the additional costs incurred by the complexities of Public/Private partnerships or a Joint Venture with the private sector will not be justified by the potential benefits from entering into these arrangements.

The Council has good experience of working with contractor frameworks and has achieved positive outcomes using its existing framework arrangement in partnership with Powys and Gwynedd County Councils. However, this framework is due to expire before the procurement of the Brecon campus will take place. The Council has therefore concluded that the optimum procurement route will be to join the revised SEWSCAP framework that was re-launched in 2015 (SEWSCAP 2).

The benefits of utilising contractors from this existing Contractor Frameworks list are as follows:

1. Consultation and design development can be carried out by the Council's own in house design team. The design team will then remain actively involved throughout the duration of the project fulfilling the intelligent client role once the project is passed over to the successful contractor, thus ensuring continuity of professional staff representing Powys County Council during all stages of the project programme.
2. The utilisation of contractors from a Local Authority Contractor Framework will result in significant time and procurement cost savings by avoiding the necessity to go through the OJEU process.
3. The original SEWSCAP Property Construction Framework expired in March 2015 and the successor has been active since April 2015.
4. The new SEWSCAP Property Construction Framework is divided into the following lots:
  - Lot 1 £1M - £5M (Powys and Ceredigion County Councils and other Participating Authorities seeking to award a contract to be performed in Powys or Ceredigion are the only Participating Authorities who may use this Lot.);
  - Lot 2 £1.5M - £3M (Powys and Ceredigion County Councils and other Participating Authorities seeking to award a contract to be performed in Powys or Ceredigion may NOT use this Lot);
  - Lot 3 £3M - £5M (Powys and Ceredigion County Councils and other Participating Authorities seeking to award a contract to be performed in Powys or Ceredigion may NOT use this Lot);
  - Lot 4 £5M- £10M (All participating authorities may use this lot);
  - Lot 5 £10M- £25M (All participating authorities may use this lot);
  - Lot 6 £25M- £100M (All participating authorities may use this lot);

In this instance the Council propose to use Lot 6 (£25M - £100M).

The Core principles of the framework are the over-riding objectives guiding the Authority and the Contractor in the operation of this Framework Agreement, and in entering into and performing Call-Off Contracts. The Authority and the Contractor hereby agree:

- To work together and with the Potential Employers, Employers and their advisers in good faith and in a spirit of mutual trust and co-operation;
- To act in a co-operative and collaborative manner so as to achieve and advance the relevant Construction Project;
- To share information honestly and openly; and
- To highlight any difficulties at the earliest possible opportunity.

The Authority and the Contractor agree to work together in accordance with the terms of this Framework Agreement and in co-operation and collaboration with the Potential Employers, Employers and their advisers, to achieve the successful delivery of a series of Construction Projects and in particular, the Core Principles.

The Contractor will at all times both in relation to this Framework Agreement and any Call-Off Contract, adhere to the Core Principles.

In order to achieve and advance the Core Principles, the Authority and the Contractor agree that they will at all times support collaborative behaviour and confront behaviour that does not comply with the Core Principles.

The Contractor agrees to provide the Authority with such information as the Authority may from time to time reasonably request including (without limitation) in relation to:

- Its status (including financial standing), structure and management;
- Its resource commitments and availability;
- Its performance under any Call-Off Contracts; and
- The performance of its obligations under this Framework Agreement.

If the Contractor fails in any material respect to provide any information requested, or provides information which is materially incomplete, incorrect or insufficient, the Authority may serve notice of suspension from this Framework Agreement on the Contractor.

The participating authorities' within this framework are currently as follows:

- Blaenau Gwent County Borough Council;
- Bridgend County Borough Council;
- Caerphilly County Borough Council;
- Cardiff Council;
- Ceredigion County Council;
- Merthyr Tydfil County Borough Council;
- Monmouthshire County Council;
- Powys County Council;
- Newport City Council;
- Rhondda Cynon Taf County Borough Council;
- Torfaen County Borough Council;
- Vale of Glamorgan County Borough Council;
- Carmarthenshire County Council;
- Neath Port Talbot County Borough Council;
- Pembrokeshire County Council;
- City and County of Swansea;
- The Welsh Ministers, including all their agencies and sponsored bodies;
- The National Assembly for Wales Commission;
- Roman Catholic Arch Diocese of Cardiff;
- Monmouth Diocesan Trust;
- Church in Wales Diocese of Llandaff;

- Local authorities in Wales;
- Police and Crime Commissioners and Police Forces in Wales;
- Fire and Rescue services in Wales;
- NHS Local Health Boards and NHS Trusts in Wales, and any body described under Part 2 (Health Service Bodies) of the National Health Service (Wales) Act 2006;
- Registered Social Landlords in Wales;
- Coleg y Cymoedd and Gower College Swansea, and all other higher and further education bodies in Wales, including colleges and universities;
- Schools, sixth-form colleges, foundation schools and academies in Wales (but not independent schools);
- HM Inspectorate of Schools in Wales (Estyn); and
- Natural Resources Wales.

The following central government departments, to the extent that they are based in or operate in Wales:

- Cabinet Office;
- Wales Office;
- Department for Business, Innovation and Skills;
- Department for Communities and Local Government;
- Department for Culture Media and Sport;
- Department for Education;
- Department for Environment, Food and Rural Affairs;
- Department for Transport;
- Department for Work and Pensions;
- Department of Energy and Climate Change;
- Department of Health;
- HM Treasury;
- Home Office;
- Ministry of Justice;
- Ministry of Defence;
- Agencies or sponsored bodies of the above central government bodies, to the extent that they are based in or operate in Wales, including (but not limited to) –
  - Office of National Statistics;
  - Environment Agency;
  - Defence Support Group;
  - Royal Mint;
  - Crown Commercial Services;
  - DVLA; and
  - Maritime and Coastguard Agency.

Within this framework three methods may be used by Participating Authorities to award contracts under the framework, as summarised below:

1. Direct award by rotation – where the terms of the contract can be established with sufficient precision, contracts may be awarded in turn on a rotation basis, beginning with the highest-scoring contractor in the relevant Lot and progressing to each contractor in order of score achieved. This method will apply only to Lots 1 and 2;
2. Mini-tender – Contractors in the relevant Lots will be invited to tender against a range of quality and pricing criteria. This method will apply to all Lots;
3. Early Contractor Involvement mini-tender - Contractors in the relevant Lots will be invited to tender against a range of quality and pricing criteria on the basis that if successful, they will be appointed at an early stage to work with the Participating Authority to finalise the design and the price. Once design and price are finalised, the contract will not be re-tendered and the appointed contractor will proceed to carry out the works element. This method will apply to Lots 3 – 6 (inclusive).

Under this mini tendering process, the framework contractors will be asked to price scheme specific Preliminaries and Design Costs including an approximate Target Cost as a guide. All other costs would be in accordance with their (already tendered) framework submission. Under NEC3 Option C, the interim valuations will be paid on actual invoiced costs for labour, plant, materials and sub-contractors plus overheads and profit with a gain/pain percentage share on completion.

The following broad principles are to be pursued, in the area of contractor incentivisation in order to help to implement smart procurement. Their implementation is subject only to agreement on the manner of their application in specific negotiations, and further formal consultation on appropriate contract terms and conditions:

- Making best use of competition at prime and sub-contract level to meet requirements and achieving value for money.
- Making the best use of effective pricing mechanisms to reflect the circumstances of the procurement will be used to promote incentivisation of performance.
- The Council and Industry have common objectives in trying to ensure that incentives produce demonstrable value for money (VFM) benefits for Powys and sustained shareholder value for Industry.
- Risks and rewards should be shared between the Council and Industry in an equitable manner.
- Risk should be owned by those best placed to manage it.
- The prospect of longer term commercial relationships in return for good performance should be a major spur to good performance supported by incentivisation arrangements
- The benefits of incentivisation arrangements should apply to the sub-contract supplier base and continue to be nurtured to achieve VFM.

- Gain-sharing opportunities should be actively explored and pursued wherever possible.
- Partnering arrangements for longer term contracts must include a framework for continuing incentivisation.
- Benchmarking of performance against recognised best in class processes and practises will aid assessment of achievement against incentivisation measures.
- Sanctions for unsatisfactory performance against the contract requirement need to be available and will be used where appropriate.
- Sharing of future contract savings in subsequent contracts

## 4.4 Procurement Option – Mini Competition

Within the framework there will be a mini competition process to award the design and build contract.

Any Contractors who are invited to bid are expected to submit a tender if they have the capacity and if they continue to meet the following pre-qualification threshold requirements to undertake the project:

- CHAS Accredited/Compliant;
- Constructionline Registered (i.e. not Suspended, Inactive, etc);
- ‘Category Value’ (previously referred to as ‘Notation Value’) on Constructionline must be sufficient for the Lot/s being applied for (as above table) and for categories relevant to the proposed works;
- Experience in the last three years of undertaking construction works for education-related projects including new build, refurbishments and extensions of value over £2M;
- Accreditation to BS EN ISO 9001:2008, or other equivalent quality management standards;
- Accreditation to BS EN ISO 14001, or other equivalent Environment Management System standards;
- One copy of the full report and audited accounts for the last three years (where the last financial years report and accounts are unsigned, draft accounts for that year should be provided) may be requested at the time of Mini Competition. The submitted accounts may be subjected to third party analysis or the Council may refer to Equifax Business Information Services or similar.

Under the mini competition framework contractors will be required to price pre-construction fees, site preliminaries, overheads, profit and people costs. Price submissions will be totalled to give a total price. The contractor scoring the lowest price will score 100, with other tendering contractors' prices scored at a % of that. Prices submitted in relation to the swimming pool will be excluded from the scoring evaluation.

Quality proposal questions are scored on a scale of 0-5 (or multiples thereof) with 0 representing unanswered and 5 representing excellent.

## 4.5 Service and Outputs Required

The scope of the work and the associated outputs has been specified and is outlined below:

### The required service streams:

- A new 11 to 18 campus with a capacity of 1,000 Secondary School Pupils (from the current Brecon and Gwernyfed High Schools) and 1,400 Post 16 places (within a new Tertiary and Vocational Centre).

### The specification of required outputs:

- CO2 or energy arising from site activities as deemed required by the contractor to achieve BREEAM Excellent;
- CO2 or energy arising from transport to and from site as deemed required by the contractor to achieve BREEAM Excellent;
- Water consumption arising from site activities as deemed required by the contractor to achieve BREEAM Excellent;
- Air (dust) pollution arising from the site as deemed required by the contractor to achieve BREEAM Excellent;
- Water (ground and surface) pollution occurring on the site as deemed required by the contractor to achieve BREEAM Excellent;
- 80% of site timber is responsibly sourced and 100% is legally sourced.

### The stakeholders and customers for the outputs:

- Acoustic Consultant;
- Appropriate Statutory and Planning Authorities;
- European Protected Species specialists;
- Environment and Ground Investigation Survey – dependant on scheme;
- School Transformation Officers;
- Special Needs – confirmed with Special Needs Officers;
- Schools ICT;
- Catering/Cleaning;
- Health and Safety;
- Disability Access Officer;
- Risk Management;
- Grounds Maintenance;

- Maintenance and Mechanical Electrical Divisions to be sought on specification prior to tender - including drains and boiler;
- Fire Officer; and
- Building Control.

It is a condition of the Welsh Government grant funding that the project achieves a BREEAM Excellent rating. The Council have utilized the services of an in-house BREEAM Assessor to date, however, the successful Contractor will take on this role and will be required to provide and deliver all BREEAM Professional Services required for the project.

Full details of the outputs and performance measures have not yet been fully developed and will not be completed until later in the development cycle. However, a summary of the current position is:

- The business areas affected by the procurement – both Brecon and Gwernyfed High Schools and the Neath Port Talbot College Group of Colleges Brecon campus, as detailed within the Strategic case of this document;
- The business environment and related activities – Education and Teaching/lecturing;
- The business objectives relevant to the procurement – rationalisation of schools and revenue costs, removal of surplus places, reduction of Environmental impact (i.e. BREEAM Excellent and Carbon Neutral);
- The scope of the procurement - to be procured through the SEWCAP 2 Framework (Lot 6);
- The required service streams – provisional details provided in this section;
- The specification of required outputs – provisional details provided in this section.
- The requirements to be met, including: essential outputs, phases – See overarching milestones in the next section;
- Performance measures, and quality attributes – not yet fully developed, but development is underway (in consultation with the various specialist advisors);
- The stakeholders and customers for the outputs – provisional details provided in this section;

## 4.6 Proposed Charging Mechanisms

The proposed charging mechanisms will be in line with the NEC3 Option C. This means that the Council, alongside their preferred contractor will be looking at elements of gain share from the design stage of the project, through feasibility and construction, using techniques such as value engineering to reduce costs (on a shared basis) against target cost.

The following principles are likely to be implemented:

- Payment will be made at key milestones/staged payments and following evaluation by Powys County Council and its Technical Advisers;

- Payments will only be made by the Council's Head of Finance against invoices which have been certified for payment by the appropriate head of department or budget holder/departmental authorised signatory. Certification of an invoice confirms that;
  - The goods have been received, examined and approved with regard to quality and quantity, or that services rendered or work done is satisfactory;
  - Where relevant, the terms and conditions of any prevailing contract have been met;
  - Where appropriate, it is matched to the schedule of activity provided as part of the procurement process;
  - Invoice details (quantity, price, discount) are correct;
  - The invoice is arithmetically correct;
  - The invoice has not previously been passed for payment;
  - Where appropriate, an entry has been made on a stores record or departmental inventory; and
  - An appropriate cost centre is quoted. This must be one of the cost centre codes included in the budget holder's areas of responsibility, and must correspond with the types of goods or service described on the invoice.
- Order numbers must be quoted on the invoice and payment will be made within thirty days of receipt of a correctly submitted invoice; and
- The issue of the invoice and subsequent payment will be the last step in a process of work undertaken by the Project Quantity Surveyor (Cost manager) to verify that the work undertaken is as per the specification and meets the required standards.
- Risks transferred to the supplier are treated as deductions against the suppliers invoice(s) until such time that individual mitigation works are complete and the risks wholly mitigated.

## 4.7 Proposed Contract Length

The timescales for project will be dependant of the availability of the funding routes. The implementation timescales in the table below imply that construction works will be completed in approximately 29 months from appointment of a successful framework contractor.

**Table 57: Proposed Actions**

• Date	Actions
• March 2016	• Statutory consultation process starts
• July 2016	• Cabinet decision following consultation
• August 2016	• Completed Memorandum of Understanding between PCC and Schools and between PCC and NPTCG
• 7 <sup>th</sup> August 2016	• Established legal framework for joint working
• 7 <sup>th</sup> August 2016	• Agreed process for establishing governance arrangements

<b>Date</b>	<b>Actions</b>
• 7 <sup>th</sup> August 2016	• Established VAT implications
• 7 <sup>th</sup> August 2016	• Appoint Design Consultants
• March – October 2016	• Statutory consultation process
• 9 <sup>th</sup> October 2016	• Determine blueprint
• 13 <sup>th</sup> November 2016	• Submit FBC to Welsh Government
• 21 <sup>st</sup> December 2016	• Begin tender process
• 8 <sup>th</sup> January 2017	• Develop technical design requirements
• 8 <sup>th</sup> January 2017	• Review planning requirements
• 6 <sup>th</sup> February 2017	• Commence Staff Consultation
• 17 <sup>th</sup> April 2017	• Target price and work information agreement
• 30 <sup>th</sup> May 2017	• Submit Planning application
• 5th June 2017	• Finalise formal consultation
• 31 <sup>st</sup> August 2017	• Brecon and Gwernyfed High Schools close
• 1 <sup>st</sup> September 2017	• Establish new school on two sites
• 5 <sup>th</sup> September 2017	• Planning decision
• 1 <sup>st</sup> September 2017	• Management of change process begins
• 3 <sup>rd</sup> October 2017	• Commence construction
• 16 <sup>th</sup> September 2019	• Construction handover
• 30 <sup>th</sup> September 2019	• Campus operational

## 4.8 Personnel Implications

It is anticipated that TUPE – Transfer of Undertakings (Protection of Employment) Regulations 2006 and where appropriate as amended by the Transfer of Undertakings (Protection of Employment) (Amendment) Regulations 2014 – will not apply to this

investment. This is on the basis that the employees who remain in employment will remain employed by their respective current employers engaged in this investment.

It is proposed that the creation of a new 11-18 campus in Brecon will see the closure of Brecon and Gwernyfed High Schools and of the Brecon campus of Neath Port Talbot College Group of Colleges. Staff within the current schools will have an opportunity to redeploy at the new 11-18 campus. This will be in accordance with the Powys County Council 'Code of Practice for dealing with Staffing issues in schools affected by Amalgamations or Closures'. The College staff engaged at its current Brecon Campus will continue to be employed by Neath Port Talbot College Group of Colleges at the new 11 – 18 campus. All staff employed at the current school locations will have opportunities for relocation to the new school as Powys County Council remain the legal employer of the staff engaged in the 11 – 16 provision. All parties will work in partnership in order to ensure effective appointments in schools and the protection of existing employees.

The economic case states that savings will be made from the reduction in the number of teachers and some support staff posts. It is planned that, as far as possible, the reduction in staff following the school closures can be managed through natural wastage as opposed to compulsory redundancies.

## 4.9 Potential for Risk Transfer

The potential for risk transfer has been assessed and is planned to be managed through the procurement of the contract utilising a Design and Build Contract.

It is planned that early contractor involvement will assist in bringing the project in within budget. Early contractor involvement will allow the contractor to have significant input into the detailed design and product specification, which should contribute to reducing the risk of abortive works at detailed design stage.

A comprehensive and robust Employers Requirements Document (ERD) will transfer much of the risk generally incurred at construction stage over to the Contractor, as the contractor's will employ their own architects to submit the planning application and provide them with a full package of production information.

It is proposed that the ERD will provide as much detailed information about the site that is practically possible. The ERD will provide the bidding contractors with a full topographical survey (including and statutory services) and detailed geotechnical surveys at tender stage, thus reducing and transferring the risk of any potential claim for delay due to ground conditions at construction stage.

One of the greatest risks to a client utilizing a Design and Build contract is the changing of the brief. It is proposed that through thorough preparation and consultation, a design brief, developed floor plan, and comprehensive set room data sheets, should result in minimal changes, thus reducing the risk to Powys CC. However, it should be noted that as with all projects, changes to the brief can occur at any stage.

**Table 58: Risk Transfer Matrix**

Risk Category	Potential allocation		
	Public	Private	Shared
Design risk		✓	
Construction and development risk		✓	
Transition and implementation risk			✓
Availability and performance risk		✓	
Operating risk	✓		
Variability of revenue risks	✓		
Termination risks		✓	
Technology and obsolescence risks	✓		
Control risks	✓		
Residual value risks	✓		
Financing risks	✓		
Legislative risks			✓
Other project risks			✓

## 4.10 Key Contractual Issues

The key contractual issues, such as Contract change control arrangements; remedies for breach of contract and general contract management (including management of disputes and agreements) are included within the standard form of contract that is NEC3 (Option C).

## 4.11 FRS 5 Accountancy Treatment

The assets underpinning the delivery of the service will be on the balance sheet of the Powys County Council and Neath Port Talbot College Group of Colleges accounts.

Construction of the new schools will be treated as 'Assets under Construction' in line with CiPFA's Accounting Code of Practice and International Accounting Standard 16 'Property, Plant and Equipment'. The value of certificated stage payments will increase the value of the

asset under construction; on completion the schools will be valued as an operational asset on a Depreciated Replacement Cost (DRC) basis.

## 5.0 The Financial Case

### 5.1 Introduction

The purpose of this section is to set out the indicative financial implications of the preferred option (as set out in the economic case section) and the proposed deal (as described in the commercial case section).

Subject to the approval of a Full Business Case, 50% of the project will be funded by WG. It is expected that the remaining amount is funded by the LA. The remaining 50% funding will be met between Powys County Council and NPTC Group of Colleges (and is subject to affordability).

Both the Council and the College have confirmed that their respective costs (within the scheme) is affordable, in both instances, is within the cost envelope for the project shown within the respective Strategic Outline Programmes provided to Welsh Government.

### 5.2 Breakdown of the Capital Costs

**Table 59: Summary of Project Costs**

<b>Project Costs and Welsh Government Contribution</b>	
Establish new build Lifelong Learning Campus to include a new secondary school 11 – 16, replacing Brecon HS and Gwernyfed HS & new Sixth Form/Vocational College.	<b>£45,423m</b>
Optimism Bias	<b>£1,553k</b>
VAT (only to be included where non-recoverable by applicant)	<b>£0</b>
<b>Total Project Cost (inclusive of optimism bias and risk)</b>	<b>£50,007</b>
<b>Total Project Cost (excluding optimism bias and risk)</b>	<b>£45,423m</b>
<b>Welsh Government Contribution (It is assumed that optimism bias will be fully mitigated, or at a maximum of 2% of project cost by FBC stage)</b>	<b>£</b>
<b>Welsh Government Contribution</b>	<b>50%</b>

## 5.3 Impact on the organisation's income and expenditure account

The anticipated payment stream for the project over its intended life span is set out in the following table for the preferred Option 11. The funding line includes the existing funding streams for the schools. All figures exclude VAT.

**Table 60: Summary of the Financial Appraisal**

All figures in £'000s	Total Cost	Years (years 9-25 as per year 8)								
		0	1	2	3	4	5	6	7	8
		16/17	17/18	18/19	19/20	20/21	22/23	23/24	24/25	25/26
Preferred way forward:										
Capital	-45,423	-£50	-£41	-£295	-£11,333	-£22,666	-£11,038	£0	£0	£0
Revenue/lifecycle costs *	-383,287	-£6,478	-£6,478	-£6,478	-£6,478	-£6,478	-£6,209	-£6,030	-£6,030	-£6,030
Cash releasing benefits	10,113	£0	£0	£0	£324	£98	£4,403	£98	£98	£98
<b>Total</b>	<b>-418,598</b>	<b>-£6,528</b>	<b>-£6,519</b>	<b>-£6,773</b>	<b>-£17,487</b>	<b>-£29,046</b>	<b>-£12,844</b>	<b>-£5,932</b>	<b>-£5,932</b>	<b>-£5,932</b>
Funded by:										
Existing Revenue	388,675	£6,478	£6,478	£6,478	£6,478	£6,478	£6,478	£6,478	£6,478	£6,478
<b>Total Existing</b>	<b>388,675</b>	<b>£6,478</b>	<b>£6,478</b>	<b>£6,478</b>	<b>£6,478</b>	<b>£6,478</b>	<b>£6,478</b>	<b>£6,478</b>	<b>£6,478</b>	<b>£6,478</b>
Additional Funding Req.	-29,923	-£50	-£41	-£295	-£11,009	-£22,568	-£6,366	£546	£546	£546

## 5.4 Cost Build Up

The anticipated payment stream for the project over its intended life span is set out in the table below, which shows the economic analysis for option 11. The full assessment period is 60 years, this is the assumed life of the new school.

**Table 61: Summary of financial appraisal**

£'000s	NPV	Total Cost	Years (years 8-60 same as year 7)								
			0	1	2	3	4	5	6	7	
			16/17	17/18	18/19	19/20	20/21	22/23	23/24	24/25	
<b>CAPITAL COSTS</b>											
New Build Capital Cost	-£39,633	-£45,423	-£50	-£41	-£295	-£11,333	-£22,666	-£11,038	£0	£0	
Refurbishment Capital	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	
<b>Capital Cost Total</b>	<b>-£39,633</b>	<b>-£45,423</b>	<b>-£50</b>	<b>-£41</b>	<b>-£295</b>	<b>-£11,333</b>	<b>-£22,666</b>	<b>-£11,038</b>	<b>£0</b>	<b>£0</b>	
<b>REVENUE COST</b>											
"Old" Revenue (FF) Cost	-£32,453	-£34,981	-£6,478	-£6,478	-£6,478	-£6,478	-£6,478	-£2,591	£0	£0	
"New" Revenue (FF) Cost	-£128,155	-£329,229	£0	£0	£0	£0	£0	-£3,618	-£6,030	-£6,030	
Lifecycle Cost	-£5,892	-£19,078	£0	£0	£0	£0	£0	£0	£0	£0	
<b>Revenue/ Cost Total</b>	<b>-£166,501</b>	<b>-£383,287</b>	<b>-£6,478</b>	<b>-£6,478</b>	<b>-£6,478</b>	<b>-£6,478</b>	<b>-£6,478</b>	<b>-£6,209</b>	<b>-£6,030</b>	<b>-£6,030</b>	
<b>RISK RETAINED</b>											
Project Risks	-£2,644	-£3,030	-£3	-£3	-£20	-£756	-£1,512	-£736	£0	£0	
Optimism Bias	-£1,355	-£1,553	-£2	-£1	-£10	-£388	-£775	-£377	£0	£0	
Risk Retained Total	<b>-£3,999</b>	<b>-£4,584</b>	<b>-£5</b>	<b>-£4</b>	<b>-£30</b>	<b>-£1,144</b>	<b>-£2,287</b>	<b>-£1,114</b>	<b>£0</b>	<b>£0</b>	
<b>TOTAL COST</b>	<b>-£210,133</b>	<b>-£433,294</b>	<b>-£6,533</b>	<b>-£6,523</b>	<b>-£6,803</b>	<b>-£18,955</b>	<b>-£31,431</b>	<b>-£18,361</b>	<b>-£6,030</b>	<b>-£6,030</b>	
<b>BENEFITS</b>											
Cash releasing											
Capital Receipts	£5,873	£6,976	£0	£0	£0	£0	£0	£6,976	£0	£0	
Opportunities Foregone	-£2,248	-£2,670	£0	£0	£0	£0	£0	-£2,670	£0	£0	
Surplus Places	£2,288	£5,581	£0	£0	£0	£98	£98	£98	£98	£98	
School Closure	£204	£226	£0	£0	£0	£226	£0	£0	£0	£0	
<b>Benefits Totals</b>	<b>£6,117</b>	<b>£10,113</b>	<b>£0</b>	<b>£0</b>	<b>£0</b>	<b>£324</b>	<b>£98</b>	<b>£4,403</b>	<b>£98</b>	<b>£98</b>	
<b>Cost Net Cash Savings</b>	<b>-£204,016</b>	<b>-£423,182</b>	<b>-£6,533</b>	<b>-£6,523</b>	<b>-£6,803</b>	<b>-£18,631</b>	<b>-£31,333</b>	<b>-£13,957</b>	<b>-£5,932</b>	<b>-£5,932</b>	
<b>TOTAL</b>	<b>-£204,016</b>	<b>-£423,182</b>	<b>-£6,533</b>	<b>-£6,523</b>	<b>-£6,803</b>	<b>-£18,631</b>	<b>-£31,333</b>	<b>-£13,957</b>	<b>-£5,932</b>	<b>-£5,932</b>	

## 5.5 Impact on the balance sheet

The capital expenditure incurred on the development will be added to the balance sheets of both Powys County Council and NPTC Group of Colleges, to reflect the creation of the new school/college asset. The asset will be carried in the balance sheets under the heading of Property, Plant and Equipment and will be valued on completion on a Depreciated Replacement Cost basis.

## 5.6 Overall affordability

The proposed cost of the project is £46,997m (including optimism bias) over the 60 years of the expected lifespan of the campus. It is anticipated that the optimism bias will be fully mitigated (or under a 2% ceiling) by FBC stage.

The Local Authority will look to finance their element of cost through prudential borrowing.

The amount to be financed by NPTC Group of Colleges will be secured from third party borrowing. There will be no affordability gap. No capital receipt currently applies. Additional revenue will benefit the college, in respect of up to 201 new students (from the closed 6<sup>th</sup> form provision in Brecon and Gwernyfed High Schools). This conservatively amounts to over £500k per annum.

The College has engaged the services of a funding consultant to review the options available for raising affordable debt finance using non-traditional routes in terms of the Further Education sector. Some of the options investigated at a high level include:

- Bond Issue - a number of private placement Bond issues are taking place currently. They have been used to considerable effect by Housing Associations. The structure typically operates as a 25-year issue at an interest rate fixed at the point of issue and sensitive to Gilt rates at that point.
- Institutional 'Lease' - a very recent entry into the market is the interest from life and pension funds in funding physical projects on a sale and leaseback basis, but which is more like a long term mortgage. Typically, capital funds are advanced against a 35-45 year leaseback, with the 'tenant' having the ability to acquire the freehold interest at the end of the term for a £1 payment. Whilst this is in form a lease, the annual payment is not based on market rent but the agreed percentage of the amount borrowed. The 'rent' is then reviewed annually by reference to RPI or CPI. A number of transactions of this nature are in course at the present time involving both local authorities and educational institutions around the UK. Recent transactions have been secured at c.4% initial rate and there are indications this rate may be pushed even lower due to competition from institutions.
- The Public Works Loan Board - The Local Government Act 2003 introduced the power for Councils to borrow to invest in capital projects, provided this was affordable and in line with the principles of the Prudential Code. Local Authority loans are usually financed by the Public Works Loan Board, a statutory body. Interest rates are

offered at the Standard Rate (currently Gilts + 100 basis points) or at the Certainty Rate (which carries a 20 basis points discount). The current 10-year Gilt rate for comparison is 2.7%.

The gift-aided profits from the College subsidiaries are planned to contribute a minimum of £500k per annum to the College now that the restructuring and transition periods have been completed to put the subsidiaries into strong trading positions.

The College is also pursuing funding from the European Regional Development Fund (ERDF), where current indications provide a number of funding scenarios, from ERDF match to no match at all.

## 6.0 The Management Case

### 6.1 Introduction

This section of the OBC addresses the 'achievability' of the scheme. Its purpose is to set out the actions that will be required to ensure the successful delivery of the scheme in accordance with best practice.

A successful project is one which delivers quality results by predefined parameters; delivers by the pre-arranged time; and which delivers on budget.

This Project is a strategic priority for Powys County Council and, as such will be managed using the Prince2 methodology as it will provide a framework to ensure this project will be managed effectively.

### 6.2 Programme Management Arrangements

The scheme outlined within this OBC is an integral part of Powys County Council's 21st Century Schools and education capital programme. Powys is at the forefront of developing area schools through the 21st Century initiative, providing pupils and staff within Powys with the opportunity to benefit from modernised learning, Social, cultural and sporting facilities.

Powys County Council proposes improvements to the provision of secondary education in south Powys. Work recently undertaken by PWC indicates that efficiencies are required and that a strategic consolidation of schools will improve the sustainability of secondary and post-16 provision, leading to improved educational outcomes.

#### 6.2.1 Programme Management Team

Overall corporate governance for this scheme is provided by the Schools Transformation Programme Board and the current management arrangements are set out in the diagram below. The remit of the Board is as follows:

:

- Planning and designing the Programme, its tranches of work and underlying portfolio of projects;
- Proactively monitoring the programme's overall progress, resolving issues and initiating corrective action as appropriate;
- Defining the programme's governance framework and adjusting it as necessary for the stage of the work;
- Ensuring the integrity of the Programme – focusing inwardly on the internal consistency of the programme; and outwardly on its coherence with corporate planning, interfaces with other programmes and required technical and specialist standards;

- Managing the programme's budget on behalf of the Programme Board, monitoring the expenditure and costs against benefits that are realised as the programme progresses;
- Facilitating the appointment of individuals to the project delivery teams;
- Ensuring the delivery of new products or services from the underlying projects meets the requirements and is to the appropriate quality, on time and within budget;
- Ensuring maximum efficiency in the allocation of resources and skills within the Project Portfolio;
- Managing third party contributions to the programme;
- Managing the communications with stakeholders;
- Managing the dependencies and interfaces between projects;
- Managing risks to the programme's successful outcome;
- Initiating extra activities and other management interventions wherever gaps in the programme are identified or issues arise; and
- Reporting progress of the programme at regular Programme Boards.

The following additional Change Management responsibilities will need to be absorbed into this role for this stage of the Programme:

- Ensuring the interests of the Programme Board is met by the programme;
- Ensuring that the work of the programme, including the scoping of each project, covers the necessary aspects required to deliver the products or services that will lead to operational benefits;
- Identifying, defining and tracking the benefits and outcomes required of the programme;
- Establishing and implementing the mechanisms by which benefits can be realised and measured;
- Leading the transition to the new operation.

Membership of the Board includes the following:

This scheme is an integral part of the Local Authority 21 Century Schools and education programme, comprising of a portfolio of projects (see above diagram). It will be managed in accordance with best practice programme and project management principles – MSP and PRINCE2 to provide a systematic and effective delivery framework.

- Councillor Arwel Jones, Portfolio Holder for Education
- Councillor Wynne Jones, Portfolio Holder for Finance
- Councillor Darren Mayor, Portfolio Holder for Property
- CEO and Director of Education – Jeremy Patterson
- Programme Sponsor – David Powell
- Head of Schools and Senior Responsible Officer – Ian Roberts
- Senior Manager Schools Transformation – Marianne Evans
- Strategic Programme Manager – Jayne Bevan
- Solicitor to the Council – Clive Pinney
- Head of Regeneration – Sue Bolter
- Senior Manager Communications – Anya Richards
- Professional Lead Finance – Jane Thomas
- Professional Lead Property – Jim Swabey

### 6.2.2 Programme Support & Assurance

Programme support will assist both the Programme Board and Programme Management Team in both administrative and assurance activity with specific responsibility:

- To assist the Programme Board in general programme management;
- To challenge constructively and act as a catalyst for the identification of new ideas and working methods, aiming to facilitate continuous quality improvement;
- To be the Powys Change Programme ‘knowledge store’;
- To continuously use learning to improve the process and provide a range of tools, techniques and methodologies to support change;
- To provide support for the development of documentation;
- To ensure that documentation meets all the key test criteria;
- To set up and service Programme Board meetings in liaison with Programme Sponsor and their PA (arrange dates, book rooms, send out invitations, set agendas, collect and circulate papers, produce and circulate minutes);
- To maintain programme records and information;
- To provide PO administrative support as may be required to maintain a current, visible and effective PO; and
- To encourage a standardised approach to programme and project management.

**Figure 7: Governance arrangements for the Beacons campus scheme**

## POLICY

### CABINET

Makes Key Decisions

## PROGRAMME MANAGEMENT

Schools Transformation Programme Board (new)  
(3 Members, Directors, Heads of Service) (meets bi-monthly)

**Schools Transformation Operational Project Board (new)**  
**(officers only, meets monthly)**

## ONE POWYS PL

Transforming Learning & Skills Overview  
Board  
Programme Board (Portfolio Holder)  
Programme Sponsor, Head of Service

PORFOLIO HOLDER

### Workstreams/Officer Groups

- Brecon Campus
- Welshpool
- Dafydd Llwyd
- Gwernyfed
- Bro Hyddgen/Glantrwmyn
- Small Schemes
- Special Schools
- Primary/Secondary Reorganisation

### Other Projects

- Raising Age of Admission
- Cashless
- Early Years
- Post-16 Transport

**SCHOOLS SERVICE SMT (Policy direction) (meets weekly)**

## 6.3 Project Management Arrangements

### 6.3.1 Project Board

The Project Board is the project's "voice" to the outside world and is responsible for any publicity or other dissemination of information about the project. It is ultimately responsible for assurance that the project remains on course to deliver the desired outcome of the required quality and to fulfil the Business Case defined in the Project Initiation Documentation. According to the size, complexity and risk of the project, the Project Board may decide to delegate some Project Assurance responsibility.

### 6.3.2 Project Board – Terms of Reference

The terms of reference for the project board are as follows:

- Ultimate responsibility and accountability for the project delivery;
- To provide strategic guidance in line with schemes strategic objectives;
- To advise on the final configuration of the development in terms of estate requirements;
- To report project progress to the Programme Board;
- Approving any major changes to scope of the scheme;
- To approve the procurement method following options appraisal;
- Approve major operational plans;
- Contribute to the negotiations with key project stakeholders to ensure that they are fully informed in respect to changes that will take place;
- To review the risk register from inception to completion of the project. The project board will decide upon corrective action where necessary and inform Programme Board of potential risks and mitigations on an on-going basis;
- Resolve any issues raised to it from the "Project Team";
- Appoint suitable project assurance representatives to monitor and report on quality aspects of the project;
- Provide user resources;
- Ensure project produces outputs that deliver to user requirements;
- Ensure the product provides the expected stakeholder benefits;
- Formally close the project ensuring lessons learnt are documented and ensure that a comprehensive post project review is completed.

### 6.3.3 Membership & Responsibilities

The membership and responsibility of the Project Board are as follows:

- **The Project Board Chair** – is responsible for the corporate and programme management and the overall direction and management of the Project. It has the responsibility and authority for the Project within and set by the Programme Board as well as ensuring external strategic alignment;
- **Project Executive** – Ultimately responsible for the project whose role is to ensure that the project is focused throughout its life cycle on achieving its objectives and delivering a product that will achieve the forecast benefits. The Project Executive is accountable to the Project Chairs and the Programme Executives for designated aspects of project delivery as set out in the agreed work programme in order to meet the strategic aims as identified by the Chairs and Programme Executive. They will be supported by the Senior Supplier(s) and Senior User(s) in the delivery of the agreed work programme. For the purpose of this project it is proposed that the Board Chair and the Project Executive are held by one individual. The person with nominated responsibility in this area is **David Powell – Strategic Director Place.**
- **Senior User** – Responsible for specifying the needs of those who will use the final product, for user liaison with the project team and for monitoring that the solution will meet those needs within the constraints of the Business Case in terms of quality, functionality and ease of use. The Senior User representatives provide knowledge and experience of the various recipients of the project. They represent the interests of all who will use (and/or be affected by) the final product(s) of the project. The Senior Users' responsibility is to ensure that the Project Board fully understands the requirements of the Schools, the wider Community and the Funding Bodies (Welsh Government) and to undertake any monitoring necessary to ensure that the proposed solution meets their needs. The person with nominated responsibility in this area is **Ian Roberts – Head of Schools Service**
- **Senior Supplier** – Represents the interests of those designing, developing, facilitating, procuring, implementing and possibly operating and maintaining the project product. The Senior Supplier (Coordination, Timeline and Finance) will lead the overall coordination of the project with particular reference to setting and maintaining timelines which not only match project timescales but interface successfully with other major projects which may be affected by this one. The senior supplier will also liaise with Neath Port Talbot College Group Borough Council Head of Finance as appropriate. Due to the complexity around the supply side for this project the Senior Supplier role for this project has been divided into four functional areas, in respect of Communications, Finance, Human Resources and ICT, and their roles are described in more detail below;
- **The Senior Supplier (Finance)** will lead the development of the governance & management elements of the project. Involvement in the production of the project deliverables is a key aspect as well as representing other stakeholders' interests in the financial outcomes of the project. The Senior Supplier (Finance) will liaise as

appropriate with the Section 151 Officer in Powys County Council. This role will be fulfilled by **Dawn Richards, Capital & Financial Planning Accountant**.

- **The Senior Supplier (Communications)** will provide detailed expertise on the appropriate mediums for engaging stakeholders and will ensure that the communications management strategy for the project is fit for purpose. The localised conditions that contribute to the landscape for this project and the inherent complexities that surround partnership working will require clear, transparent and frequent engagement with stakeholders and a separate Communications professional can supply this knowledge and expertise. **John Evans, Communications Manager** will fulfil this role.
- **The Senior Supplier (ICT)** will provide knowledge and management of the requirement to provide sector leading ICT facilities for learners in the Powys area. This role will be fulfilled by **Steve Davies**
- **Project Manager** – will have the authority to run the project on a day-to-day basis on behalf of the Project Board within the constraints laid down by the Board. The Project Manager's main responsibility is for the work of all PRINCE2 processes. The Project Manager will delegate responsibility for the process to the Project Team Managers in the projects using this role. The Project Manager manages the Team Managers and Project Support and is responsible for the liaison with the Project Assurance and the Project Board. This role will be fulfilled by **Jim Swabey**.

#### 6.3.4 Core Project Team Membership

The Council has established structured project management arrangements to ensure that each project within the programme has adequate project management resources. The individual projects will report to the Programme Board for assurance and guidance on programme level risks and issues. Day to day management of the Programme is the responsibility of the core programme team. With project management support, they will aim to:

- Deliver the project on time and to budget;
- Ensure effective and proactive lines of accountability and responsibility for the project deliverables; and
- Establish user involvement at all stages of the exercise.

The Beacons Learning Campus project will follow this process and will have a specialist dedicated in house project team to provide the professional support in managing the design, construction and commissioning elements of any new build project. It is the intention that as the project progresses to Construction phase, a PRINCE2 environment will remain, however the structure of the relevant projects teams (and their members) will be amended to ensure they are still relevant and effective. This process demonstrates that the current Powys County Council team understand the need for flexibility and that this can be delivered within the framework of PRINCE2.

It is recognised that many construction projects may not use PRINCE2, and developers are often reluctant to provide the necessary reports to those considered to be on the periphery of such projects. While the stakeholder representatives of the Powys County Council have used this methodology effectively in several construction-related projects, it is felt that Programme Management techniques, backed up by the tight Project management of core teams, will prove very effective.

As mentioned in the Commercial Case (Section 4.0), a framework for Construction and Professional Services has been established for the SEWSCAP 2. The authority intends to utilise this previously established framework and this approach will reduce costs and time associated with the procurement of external resources. The approach will also enable the authority to share lessons learned from previous projects undertaken by consortium members under the first SEWSCAP arrangements.

It is acknowledged that as the project progresses from OBC to FBC stage a PRINCE2 approach will be adopted and the project will be governed by an agreed Project Board.

Specialist professional and technical advisers will be employed for those activities where the necessary skills and experience are not otherwise available to the Project team. The transfer of skills and knowledge from specialist advisers to the Project team will be achieved wherever possible and appropriate. The costs of specialist and technical advisors (and in particular knowledge transfer) will be included in the funding bid to the Welsh Government. If such a bid were not to be successful, the key stakeholders would be required to review this position.

**Table 62: Core Project Team**

Job Title	Expected Role	Name
Strategic Director – Place	Executive Sponsor	David Powell
Head of Schools	Senior User	Ian Roberts
Capital & Financial Planning Accountant	Project Board Supplier - Finance	Dawn Richards
IS 2 <sup>nd</sup> Line Team Leader	Project Board Supplier – ICT	Steve Davies
School Transformation & Post 16 Programme Manager	Overall Project Management	Joni Hughes
Communications Manager (Chief Executives)	Project Board Supplier – Communications	John Evans
Construction Lead	Construction Project Manager	Jim Swabey
Strategic Programme Manager	Project Team Member – Strategy	Jayne Bevan

Job Title	Expected Role	Name
Senior Manager School Transformation	Project Team Member - Schools	Marianne Evans
Project Support	Project Support	Thomas Yeo

### 6.3.5 Business Case Team

The business case project team will have the responsibility to author and produce the OBC/FBC for submission to WG.

**Table 63: Business Case Project Team Membership**

Name	Job Title	Role
Jim Swabey	Construction Lead	Business Case Lead
Mike Hughes	Partner (CPC)	Assurance

### 6.3.6 Curriculum Project Team

The Curriculum Project Team will have responsibility to agree and submit the curriculum requirements of the proposal with respect to education in the South Powys area. The Curriculum Project Team includes curriculum managers and educational specialists from within the Council.

The role of the curriculum project team has been to ensure that pupils within Powys have the most appropriate and widest range of curriculum, available to meet the requirements of the Schools Effectiveness Framework and the 21<sup>st</sup> Century Schools agenda. In line with this, the curriculum project team help define the options available for education in the South Powys area.

**Table 64: Curriculum Project Team Membership**

Name	Title	Role
Joni Hughes	School Transformation & Post-16 Programme Manager	Project Manager
Gareth Jones	Senior Manager Central Services	Finance lead
Marianne Evans	Senior Manager Schools Transformation	Strategic lead

### 6.3.7 Communications Project Team

Powys promotes extensive and meaningful consultation with stakeholders on its proposals. Consultation on projects requiring the publication of statutory proposals to reorganise school provision follow WG guidance.

Consultation on 'build design' and construction follow BREEAM requirements. A full range of stakeholders are involved in both processes, including children and young people, usually through the involvement of School Councils.

The proposals - specific to a new build school for the areas currently served by Brecon and Gwernyfed High schools - have been subject to formal consultation with the staff and governors of both schools. Consultation with stakeholders was completed in line with statutory requirements and the project communications strategy which aims to:

- Support the project through timely, interactive communications, creating an understanding and commitment to the improvement process;
- Enhance the Council's strong reputation for managing change;
- Ensure that all stakeholders understand the vision and need for change, who it affects and what it means for them;
- Ensure the process is open and transparent;
- Promote and cultivate an understanding and acceptance of the need for change;
- Ensure all key internal and external stakeholders impacted by project are fully informed;
- Promote effective media relations and encourage accurate and balanced reporting/coverage (recognising that the media may represent alternative views to those held by the Council).

The communications and publicity project team will be responsible for all of the external communications prepared in relation to the project.

**Table 65: Communications & Publicity Project Team Membership**

Name	Title	Role
Jayne Bevan	Strategic Programme Manager	Chair
John Evans	Communications Officer	Press liaison
Anya Richards	Senior Communications Officer	Political assurance

The communication strategy focuses on demonstrating the value of the Beacons Learning Campus project in terms of improved service delivery and better outcomes for children and young people. In this initiative, there will be a consistent approach to communications across all stakeholder groups and messages are embedded into corporate priorities. Stakeholders will be consulted through a variety of means; two-way communication

channels are to be established to enable people to ask questions, provide feedback and raise concerns. Communication activities are also pro-active, promoting key developments and events, achievements and messages. Internal communication is key in gaining stakeholder support. The key messages are:

- Funding is to be used in the most effective and efficient way possible;
- Changes will be made to further improve educational standards and facilities for the future;

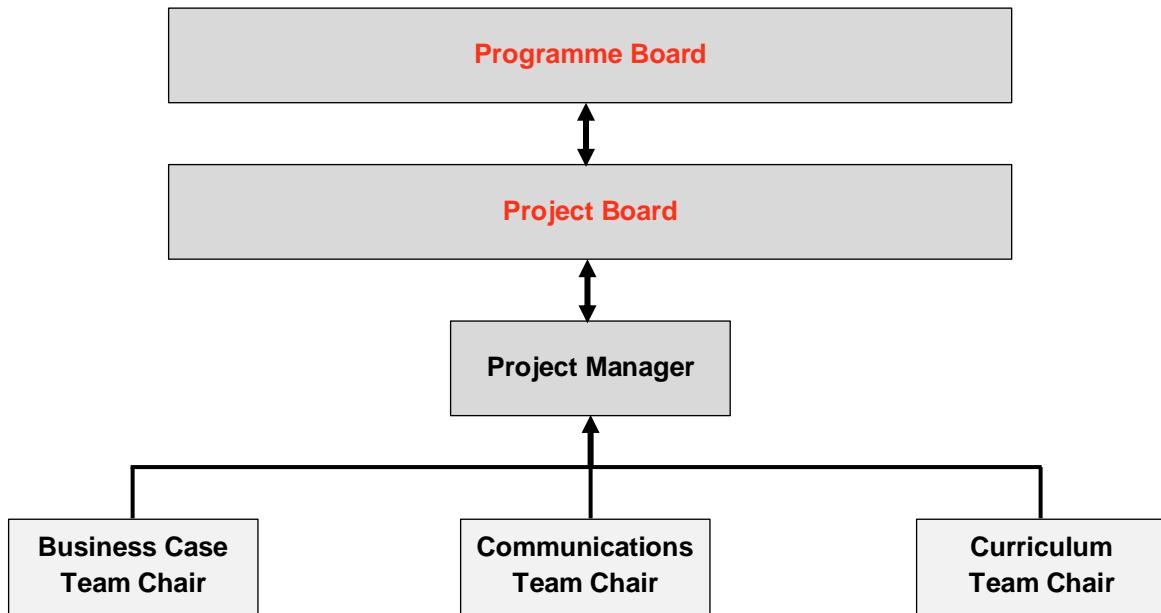
The target audience is: Service Users; Supplier Stakeholders (including teachers, teaching groups and the school governors) and the Welsh Government. The above illustrates meaningful consultation and engagement with stakeholders in the development of this Outline Business Case.

### **6.3.8 Project Reporting Structure**

The reporting and governance arrangements for this project are as follows and are shown below:

- Project Team leads present highlight reports at monthly Project Board meetings. These meetings will be chaired by the aforementioned representatives for each of the three Project team areas;
- The Project Manager Joni Hughes will present summary reports from “Project Team” meetings to the Project Board meeting on a monthly basis. Project Board is chaired by David Powell;
- On an exception basis only, Project Board will report key strategic risks and issues to Programme Board for resolution

**Figure 8: Project Reporting Structure**



## 6.6 Learning Centre Governance

Formal governance arrangements for the Sixth Form Academy will be the responsibility of the Governing Body of NPTC Group of Colleges, under the relevant FE governance guidelines and regulations. It is proposed that a Partnership Group (to include representatives of both the LEA and NPTC Group of Colleges) will be designed to support these arrangements and provide effective links with partner schools and the local education authority. These governance arrangements and other operating matters will be provided in a Target Operating Model, to be developed alongside the FBC for this scheme.

A Shadow Governing body will then be established to work with the Project Board and develop a management and staffing structure for the learning centre (within the Operating Model/Blueprint). This facet of the project took place between March and September 2015 and will be refreshed in Spring 2016.

## 6.7 Project Timetable

The following is the timetable relating to the actions required to ensure the project will be delivered and be operational within the desired timeframe.

**Table 66: Outline Project Plan**

• Date	Actions
• 24 <sup>th</sup> February 2016	<ul style="list-style-type: none"> <li>• NPTC Group of Colleges Board approval of OBC</li> </ul>
• 26 <sup>th</sup> February 2016	<ul style="list-style-type: none"> <li>• Sign-off by PCC SRO and submission of OBC to Welsh Government</li> </ul>

• Date	Actions
• June 2016	<ul style="list-style-type: none"> <li>• Completed Memorandum of Understanding between PCC and Schools and between PCC and NPTCG</li> </ul>
• March 2016	<ul style="list-style-type: none"> <li>• Statutory consultation process starts</li> </ul>
• July 2016	<ul style="list-style-type: none"> <li>• Cabinet decision following consultation</li> </ul>
• 7 <sup>th</sup> August 2016	<ul style="list-style-type: none"> <li>• Established legal framework for joint working</li> </ul>
• 7 <sup>th</sup> August 2016	<ul style="list-style-type: none"> <li>• Agreed process for establishing governance arrangements</li> </ul>
• 7 <sup>th</sup> August 2016	<ul style="list-style-type: none"> <li>• Established VAT implications</li> </ul>
• 7 <sup>th</sup> August 2016	<ul style="list-style-type: none"> <li>• Appoint Design Consultants</li> </ul>
• 9 <sup>th</sup> October 2016	<ul style="list-style-type: none"> <li>• Determine blueprint</li> </ul>
• 13 <sup>th</sup> November 2016	<ul style="list-style-type: none"> <li>• Submit FBC to Welsh Government</li> </ul>
• 21 <sup>st</sup> December 2016	<ul style="list-style-type: none"> <li>• Begin tender process</li> </ul>
• 8 <sup>th</sup> January 2017	<ul style="list-style-type: none"> <li>• Develop technical design requirements</li> </ul>
• 8 <sup>th</sup> January 2017	<ul style="list-style-type: none"> <li>• Review planning requirements</li> </ul>
• 6 <sup>th</sup> February 2017	<ul style="list-style-type: none"> <li>• Commence Staff Consultation</li> </ul>
• 17 <sup>th</sup> April 2017	<ul style="list-style-type: none"> <li>• Target price and work information agreement</li> </ul>
• 30 <sup>th</sup> May 2017	<ul style="list-style-type: none"> <li>• Submit Planning application</li> </ul>
• 31 <sup>st</sup> August 2017	<ul style="list-style-type: none"> <li>• Brecon and Gwernyfed High Schools close (without prejudice to PCC Cabinet approval of statutory consultation process)</li> </ul>
• 1 <sup>st</sup> September 2017	<ul style="list-style-type: none"> <li>• Establish new school on two sites (without prejudice to PCC Cabinet approval of statutory consultation process)</li> </ul>
• 5 <sup>th</sup> September 2017	<ul style="list-style-type: none"> <li>• Planning decision</li> </ul>
• 1 <sup>st</sup> September 2017	<ul style="list-style-type: none"> <li>• Management of change process begins</li> </ul>
• 3 <sup>rd</sup> October 2017	<ul style="list-style-type: none"> <li>• Commence construction</li> </ul>
• 16 <sup>th</sup> September 2019	<ul style="list-style-type: none"> <li>• Construction handover</li> </ul>
• 30 <sup>th</sup> September 2019	<ul style="list-style-type: none"> <li>• Campus operational</li> </ul>

## 6.8 Use of Special Advisers

Special advisers have been used in a timely and cost-effective manner in accordance with the Treasury Guidance: Use of Special Advisers. To date, specialist advisors have been used extensively within this project, in areas such as design, cost assessment and control, transport, topographical and geotechnical advice, environmental and business case development/assurance.

**Table 67: Use of Special Advisers**

Specialist Area	Adviser
Financial	None - Internal Finance team
Technical	None – Internal Technical team
Procurement and legal	None – Internal Procurement and Legal team
Business assurance	CPC Project Services LLP
Taxation	LAVAT, Centurion

## 6.9 Outline Arrangements for Change and Contract Management

The main aim here is to manage proposed changes to the culture, systems, processes and people working to establish the best option for Powys County Council. Change management is not about the provision of the best option but instead focuses on those actions that are necessary to make the best option a working success. The specific actions noted below will come under the overall control of the project board.

Managers responsible for the key areas will adopt appropriate project management disciplines to meet specific responsibilities. The individual activities may be projects in their own right or be work streams within the overall project.

Planning has been developed for all activities within this change management process through the identification of key outcomes and actions required to ensure successful delivery. Timescales for carrying out such actions, the resources required, and where required, the need for additional resources, have also been determined.

Please see the tables below for further details.

**Table 68: Change Management – Strategic Context**

Change group	Strategic Context

<b>Change group</b>	<b>Strategic Context</b>	
<b>Leads</b>	Steve Doodson, Marianne Evans	
<b>Additional Group Members</b>	Catherine Lewis, Geraint Jones, Sian Jones, Jo Rickets, Keith Brooker.	
<b>Remit</b>	<ul style="list-style-type: none"> <li>• Establish principles of collaborative working;</li> <li>• Establish links to partner organisations' strategic plans</li> <li>• Establish links to Children and Young People's plan</li> </ul>	
<b>Significant outcomes required</b>	<ul style="list-style-type: none"> <li>• Agreed memorandum of understanding between PCC &amp; NPTGC</li> <li>• Agreed memorandum of understanding between PCC &amp; Schools</li> <li>• Action plan for addressing any requirements under PCC &amp; NPTGC strategic plans;</li> <li>• Action plan for addressing any requirements under the Children and Young People's plan</li> </ul>	
<b>Actions needed to achieve these outcomes</b>	1. Cabinet approval of MoU	• November 2016
	2. NPTCG board approval of MoU	• November 2016
	3. Strategic Review	• December 2016
	4. Gap analysis against CYPP	• December 2016
<b>Resources required</b>	<ul style="list-style-type: none"> <li>• No additional resources to the leads (named above).</li> <li>• Anticipate input to a maximum of two hours per week per individual involved</li> </ul>	
<b>Dependencies</b>	<ul style="list-style-type: none"> <li>• None</li> </ul>	

**Table 69: Change Management – Governance and Performance Management**

<b>Change group</b>	<b>Governance and Performance Management</b>	
<b>Leads</b>	Steve Doodson, Marianne Evans	
<b>Additional Group Members</b>	Joni Hughes, Yan James, Gareth Jones, Keith Brooker, Catherine Lewis, Geraint Jones, Kelly Fountain, Sian Thomas, Jo Rickets, Gemma Charnock, Colin Heffey, Judith Williams, Brian Hones , Dan Owen, Freddy Greaves.	
<b>Remit</b>	<ul style="list-style-type: none"> <li>• Establish (long term) shape of 6th form provision between PCC &amp; NPTCG</li> <li>• Establish consistent approach for the operation of the school (11-16)</li> <li>• Establish governance arrangements of the 6th form academy</li> <li>• Establish management arrangements for the building (inc. FM)</li> <li>• Establish risk assessment process for operating the school site;</li> <li>• Establish performance management framework</li> <li>• Establish performance reporting arrangements</li> <li>• Designate performance monitoring responsibilities</li> <li>• Confirm Local Key Performance Indicator (LKPI) targets</li> <li>• Implement joint quality improvement and Equality/Diversity plan</li> <li>• Establish shadow governance for new school</li> </ul>	
<b>Significant outcomes required</b>	<ul style="list-style-type: none"> <li>• Agreed and documented shape of 6<sup>th</sup> form provision;</li> <li>• Agreed process for transition to a new joint governance model;</li> <li>• Agreed LKPI's for operation;</li> <li>• Agreed process for business planning;</li> <li>• Agreed Risk Assessment Process;</li> <li>• Agreed site operation plan.</li> </ul>	
<b>Actions needed to achieve these outcomes</b>	1. Review options for school governance	<ul style="list-style-type: none"> <li>• July 2016</li> </ul>
	2. Obtain agreement from each board of governors	<ul style="list-style-type: none"> <li>• November 2016</li> </ul>
	3. Co-opt members onto shadow board	<ul style="list-style-type: none"> <li>• November 2016</li> </ul>
	4. Conduct gap analysis for corporate documentation (inc. business plans, equality, diversity plans, travel plans etc.), KPI and LKPI's	<ul style="list-style-type: none"> <li>• November 2016</li> </ul>

Change group	Governance and Performance Management	
	5. Agree future business mission, vision, values, targets and objectives	<ul style="list-style-type: none"> <li>• November 2016</li> </ul>
	6. H&S evaluation of day to day site operation, including risk assessment process and designation of building responsible person(s).	<ul style="list-style-type: none"> <li>• January 2017</li> </ul>
Resources required	<ul style="list-style-type: none"> <li>• No additional resources to the leads (named above).</li> <li>• Anticipate input to a maximum of two hours per week per individual involved</li> </ul>	
Dependencies	<ul style="list-style-type: none"> <li>• None</li> </ul>	

**Table 70: Change Management - Organisational Management**

Change Group: Organisational Management	
Leads	Steve Doodson and Gareth Jones
Additional Group Members	Kath Holley, Catherine Lewis, Keith Brooker, Chris Lewis, Colin Bevan, Dawn Richards, Glyn Richards, Ann Owen, Clive Pinney, Carolyn Peers, Jim Swabey.
Remit	<ul style="list-style-type: none"> <li>• To establish the appropriate funding formula;</li> <li>• To establish the appropriate charging mechanisms;</li> <li>• To agree accountancy treatment;</li> <li>• To establish VAT implications of joint working;</li> <li>• To establish financial arrangements to operate the building;</li> <li>• To reach and agreed legal framework for joint working;</li> <li>• Establish approach to transport provision and sharing cost of transport;</li> <li>• Confirm present and future procurement principles.</li> </ul>
Significant outcomes required	<ul style="list-style-type: none"> <li>• Agreed working practices for minimising the financial burden of the agreed option.</li> <li>• Confirmed legal arrangement for operation of joint entity;</li> <li>• Agreed new processes that allows the agreed option to be managed and run in accordance with schools and colleges protocol.</li> <li>• Established site management plan;</li> <li>• Agreed route for procurement.</li> </ul>

Change Group: Organisational Management		
Actions required to achieve outcomes	1. Understand the financial and business processes that are required	• August 2016
	2. Understand the financial and business processes that currently exist	• August 2016
	3. Complete a gap analysis of processes	• September 2016
	4. Compile new financial and business processes	• January 2017
	5. Implement new working processes and practices	• September 2017
	6. Comprehensive legal evaluation of preferred option.	• November 2015
Resources required	<ul style="list-style-type: none"> <li>• Specialist Tax advice will be required from a third party, Legal Services support.</li> </ul>	
Dependencies	<ul style="list-style-type: none"> <li>• None</li> </ul>	

**Table 71: Change Management - ICT**

Change group	ICT	
Manager	Steve Davies IS Service 2 <sup>nd</sup> Line Team Leader	
Additional Group Members	1 x IT infrastructure specialist 1 x Software specialist 1 x Hardware specialist	
Remit	<ul style="list-style-type: none"> <li>• Agree strategy</li> <li>• Define network and equipment needs and costs.</li> <li>• Agree funding mechanisms for initial work.</li> <li>• Procure equipment and manage implementation</li> <li>• Appoint any additional staffing</li> <li>• Testing</li> <li>• Support arrangements</li> <li>• To report to the management group.</li> </ul>	
Significant outcomes required	<ul style="list-style-type: none"> <li>• Understanding of infrastructure required for agreed option</li> <li>• Understanding of any new software requirements or software developments required</li> <li>• Understanding of any hardware requirements</li> <li>• Understanding of any new skill-sets required</li> </ul>	
Actions needed to achieve these outcomes	1. Complete analysis of infrastructure requirements	• November 2016
	2. Complete analysis of Software and hardware requirements	• November 2016
	3. Complete skills audit for IS/ICT staff	• May 2017
Resources required	<ul style="list-style-type: none"> <li>• 1 x IT infrastructure specialist</li> <li>• 1 x Software specialist</li> <li>• 1 x hardware specialist</li> <li>• No additional resources are required, as maintenance and development will be completed by the existing NPT IS/ICT team.</li> </ul>	
Dependencies	<ul style="list-style-type: none"> <li>• None</li> </ul>	

**Table 72: Change Group - Educational Standards**

<b>Change group</b>	<b>Educational Standards</b>	
<b>Leads</b>	Geraint Jones and Joni Hughes	
<b>Additional Group Members</b>	Kelly Fountain, Sian Thomas, Judith Williams, Dan Owen, Freddy Greaves, Marianne Evans, Gareth Jones	
<b>Remit</b>	<ul style="list-style-type: none"> <li>• To agree the process of raising the educational points score for the schools and the learner</li> <li>• Agree strategy to ensure the provisions and outcomes are judged 'Excellent' or 'Good'</li> <li>• Understand the process to improve all Key Stage Outcomes;</li> <li>• To look at staffing structure and requirements.</li> <li>• Agree the number of subjects to be taught/available to pupils</li> </ul>	
<b>Significant outcomes required</b>	<ul style="list-style-type: none"> <li>• Formalise curriculum plans for 16-19 education;</li> <li>• Integrate timetabling;</li> <li>• Formalise pastoral links;</li> <li>• Formalise learning and coaching plan</li> </ul>	
<b>Actions needed to achieve these outcomes</b>	1. Quantify new staffing requirement, based on teacher/pupil ratios	<ul style="list-style-type: none"> <li>• November 2016</li> </ul>
	2. Quantify level of subjects required to be available	<ul style="list-style-type: none"> <li>• November 2016</li> </ul>
	3. Complete gap analysis on proposed improvements to educational standards	<ul style="list-style-type: none"> <li>• November 2016</li> </ul>
	4. Completed documentation of desired changes	<ul style="list-style-type: none"> <li>• November 2016</li> </ul>
<b>Resources required</b>	<ul style="list-style-type: none"> <li>• No additional resources to the leads (named above).</li> <li>• Anticipate input to a maximum of 2 hours per week per individual involved</li> </ul>	
<b>Dependencies</b>	<ul style="list-style-type: none"> <li>• Estyn</li> <li>• DfES</li> </ul>	

**Table 73: Change Group – Leisure Facilities**

Change group	Leisure Facilities	
Leads	Jo Ricketts and Jenny Haynes	
Additional Group Members	Barry Roberts, Jenny Haynes	
Remit	<ul style="list-style-type: none"> <li>• To establish current demand by school/college;</li> <li>• To investigate potential demand under new arrangement;</li> <li>• Understanding of impact of new leisure arrangements</li> </ul>	
Significant outcomes required	<ul style="list-style-type: none"> <li>• Demand analysis for existing services;</li> <li>• Forecast of potential demand based on previous trends;</li> <li>• Financial implications of increased/contracted demand;</li> <li>• Staffing implications of increased/contracted demand.</li> </ul>	
Actions needed to achieve these outcomes	1. Base line data analysis	• August 2016
	2. Development of forecast charts	• September 2016
	3. Financial/staff modelling	• November 2016
Resources required	<ul style="list-style-type: none"> <li>• No additional resources to the leads (named above).</li> <li>• Anticipate input to a maximum of 2 hours per week per individual involved</li> </ul>	
Dependencies	<ul style="list-style-type: none"> <li>• None</li> </ul>	

**Table 74: Change Group – Human Resources**

Change group	Human Resources
Leads	Eleanor Glew, Catherine Cottle
Additional Group Members	Catherine Lewis
Remit	<ul style="list-style-type: none"> <li>• To look at staffing structure and requirements.</li> <li>• Agree process for occupying new posts.</li> <li>• Agree implementation plan.</li> <li>• To consult with existing staff.</li> <li>• To consult with Trade Unions.</li> </ul>

<b>Change group</b>	<b>Human Resources</b>	
	<ul style="list-style-type: none"> <li>• To agree induction training and team building options.</li> <li>• To report to the management group.</li> </ul>	
<b>Significant outcomes required</b>	<ul style="list-style-type: none"> <li>• Completed organogram;</li> <li>• Agreed job descriptions</li> <li>• Completed consultation process;</li> <li>• Completed match and slot process;</li> <li>• Completed competitive interview process;</li> <li>• Established staff compensation scheme for change of work location.</li> </ul>	
<b>Actions needed to achieve these outcomes</b>	1. Confirm staff employment requirements	• November 2016
	2. Organise formal consultation	• February 2017
	3. Recruit via appropriate trade journals/match slot as required	• May 2017
	4. Quantify work environment issues to improve conditions	• November 2016
<b>Resources required</b>	<ul style="list-style-type: none"> <li>• No additional resources to the leads (named above) and the administrative staff/HR specialist support</li> <li>• Anticipate input to a maximum of two hours per week per individual involved</li> </ul>	
<b>Dependencies</b>	<ul style="list-style-type: none"> <li>• Estyn</li> <li>• DfES</li> </ul>	



## 6.10 Outline Arrangements for Benefits Realisation

The strategy, framework and plan for dealing with the management and delivery of benefits are shown below. Benefits that will be realised may be either financial or qualitative (for example improvement in educational standards). A strategy and supporting plan for benefits clearly shows what will happen, where and when the benefits will occur. Details of who will be responsible for delivery of proposed benefits will be developed for the preferred option to be taken to Full Business Case.

The plan for benefits will be integrated into or coordinated with the project plan and will be very clear regarding handover and responsibilities for on-going operations in the changed state (where the benefits will actually accrue). There will be a Tracking Process, which monitors achievement of benefits against expectations and targets. The tracking process will be capable of tracking both 'hard' (e.g. cost, headcount) and 'soft' (e.g. image) benefits and operates alongside the changing operation. The progress of this plan will be reported by the Project Manager to the Project Board.

In particular, the Benefits Management Strategy will be fully integrated into the programme plan and will fully address the following issues:

- That the potential benefits are clearly identified;
- That the benefits are clearly understood across the project and the various Project Teams. It is the role of the Project Manager to ensure that this is achieved;
- That benefits are placed into manageable groups:
  - Standards of Education;
  - Places, Participation and Accessibility to wider provision;
  - Standards of provision - State of art facilities and education provision;
  - Effective financial management.
- These groups will be managed individually, with responsibility falling on the Curriculum and Governance project teams to monitor and report on progress.



An example of the project benefits register is included in the table below. This table describes who is responsible for the delivery of specific benefits, how and when they will be delivered and the required counter measures, as required.

**Table 75: Benefits Realisation Register**

Benefit	Improved Quality Standards & Achievement	Responsibility for Delivery
Description of Benefit		
Potential Dis-benefits		
Actions necessary to realise benefits		
Timescale		
How the benefits will be measured and monitored		

## 6.11 Outline Arrangements for Risk Management

### 6.11.1 Risk Workshop

In developing the economic case, risk workshops were held on 30<sup>th</sup> April 2015, to understand the risks associated with each of the short-listed options and to analyse the financial value of those risks. The Council's Transforming Learning and Skills agenda, particularly its intention to deliver education in 21st Century settings, will be seriously compromised if risks are not managed adequately.

All projects have an element of risk and there must be a proactive approach to risk management to balance risks against the potential rewards and plan to minimise or avoid them. It is also acknowledged that taking some amount of risk will be inevitable to the success of the project. The strategy, framework and plan for dealing with the management of risk for the preferred option follows a PRINCE2 methodology.

The register will be a 'living document' and reviewed and amended (where required) during workshops where a risk manager will be appointed to manage the identification, monitoring, updating, control and mitigation of project risks. The framework and plan of the risk register will involve a rated table format. The risk will be described and the date of its identification noted. An initial risk rating will be made and the probability and impact of the risk evaluated, followed by a residual risk rating column. The effects and impact of risk can involve elements such as environment, time, quality, cost, resource, function or safety and regular meetings will be held to review all aspects. Within the format there will also be the facility for proposals to mitigate and manage, identifying the control strategy, risk owner and the current risk status.



The risks and issues identified within this project will be cross referenced with the risks/issues held by the Programme Board so that cross cutting issues can be mitigated safely.

The first risk workshop was held on 30<sup>th</sup> April 2015, at the Neath Port Talbot College Group's Llandrindod site and was attended by the following:

- Jim Swabey – Programme Manager
- Marianne Evans – Senior Manager Schools Transformation
- Steve Doodson – Principal Powys Campus;
- Jayne Bevan – Strategic Programme Manager;
- David Bradley – Construction, Procurement and Premises Manager;
- Jo Ricketts – Assistant Principal Powys Campus;
- Laurence Darley – CPC.

This workshop was re-visited on 5<sup>th</sup> October 2015 with the same attendees.

In addition to the scoring of the risks for each of the short-listed options, a strategy for on-going risk management was developed and is explained within the following section.

As part of the initial workshop risks were identified, categorised and scored in terms of probability 1-4 with 4 being the most likely to occur and impact 1 – 4 where 4 is the most severe.

Mitigating actions undertaken to date were also included, as were the perceived mitigating actions along with an assigned owner for the risk as the project progresses. At this point it was decided that the top 10 most likely risks where a financial assessment was achieved would be included in the Economic case. This approach underpins the risk management strategy for the Council and, as such, has been incorporated as a standard approach across all project.

### **6.11.2 Risk Identification**

Risk identification can occur at all levels of the project, whether from the project teams or the project manager regarding the sub-elements of the project or from the Programme Board (where external risks are identified). Initial risks will be identified through structured workshops attended by the relevant experts and these risks will be captured in a formal risk register document.

When a risk is identified, the project manager will be responsible for evaluating each risk in terms of the likelihood and impact. The project manager will also enter this information onto the risk register and assign a risk owner who will update the project manager on the status of the risk including the results of mitigating actions.

### **6.11.3 Risk Analysis and Mitigation**



It is acknowledged that risks will change as the project develops and for that reason the risk mitigation strategy will be fundamental to the success of the project undertaken by the authority. A risk mitigation strategy refers to the additional efforts, if any, that must be taken by management to lower the likelihood of the risk occurring and/or to minimise the impact on the programme if the risk did occur. While risk can never be totally eliminated, it can be managed and mitigated to lessen the likelihood and or impact of the risk on the programme. The process proposed by the authority will include:

Roles and responsibilities for developing, implementing and monitoring the strategy;

- Timelines;
- Conditions present in order for the risk level to be acceptable;
- Resources required to carry out the planned actions;
- Managers responsible for the various areas of the project will need to routinely monitor or review the status of risks. This will be achieved by:
  - Reporting on risk areas along with performance;
  - Developing risk indicators to monitor the status of risks, particularly for those areas of the project which are complex or seen as risky initiatives.

Risk management will be fundamental to the management of the project and as such, the project risk register will be reviewed on a weekly basis by the project manager. All risks arising from the project teams will be sent to the project manager for evaluation. The total risk score for each risk will be calculated by multiplying the probability score (between 1-4 with 4 being certain) and impact score (between 1-4 with 4 being project-failure) and all risks scoring 8 and above will be referred to the Project Board for decision. The risk tolerance line for the project is illustrated in the following table.

**Figure 9: Risk Tolerance Profile**

4	4	8	12	16
3	3	6	9	12
2	2	4	6	8
1	1	2	3	4

Impact

The Brecon Learning Campus project has an aggregated risk value of £3,030M for the preferred option, representing 6.67% of capital expenditure. Whilst every project is different nature and will be affected by many factors, PRINCE2 guidance estimates that the projects should expect to expend between 1-3% on initial risk management and an additional 2-3% on the on-going monitoring of risks throughout the project life cycle. This demonstrates that the Council has a robust and conscientious approach to risk.



A copy of the risk register to be updated by the project manager. The register includes details of the responsible owner and the required mitigation action for the risk.

## 6.12 Outline Arrangements for Post Project Evaluation

The outline arrangements for Post Implementation Review (PIR) and Project Evaluation Review (PER) have been established in accordance with best practice and are as follows.

### 6.12.1 Post Implementation Review (PIR)

These reviews ascertain whether the anticipated benefits have been delivered and are timed to take place a year post construction, i.e. September 2019.

### 6.12.2 Project Evaluation Reviews (PERs)

PERs appraise how well the project was managed and delivered compared with expectations and are timed to take place one-year post construction.

## 6.13 Contingency Plans

In the event of project failure, the existing Brecon and Gwernyfed High Schools will continue to operate until such time that the project can be righted.

## 7.0 Appendix

### 7.1 Appendix A – Review of Secondary Schools in Mid and South Powys (February 2016)

### 7.2 Appendix B – Economic and Financial Analysis

### 7.3 Appendix C – Monte Carlo Simulation