

REQUEST FOR CHANGE

KEY FACTS

Local Authority: Neath Port Talbot County Borough Council

Requested amount of Increase to Envelope (as revised Jan 2016): Option 1 = £2m (WG = £0 / NPT = £2m), Option 2 = £6m (WG = £3m / NPT = £3m),

Has this been signed off by the Cabinet: Cabinet reports of: 25th June 2012, 9th July 2015 & 13th January 2016 appertain.

Please provide a summary of the proposed change.

NB: All financial sums have been rounded to the nearest £m. As a result, figures expressed will be approximations. For a detailed breakdown of estimated costs please refer to attached doc.

Maximum 500 Words (Any words above 500 will be discounted)

What is changing?

Will there be more / fewer projects delivered as a result of this change?

What are they?

Band A of the Council's 21st Century Schools Strategic Outline Programme (SOP) currently comprises 7 projects:

1. An English-medium, 3-16, all through school: Ysgol Newydd (Bae Baglan), Baglan Moors, Port Talbot.
2. An English-medium, 3-11 primary school: Awel Y Môr, Sandfields, Port Talbot.
3. A Welsh-medium, 3-18, all through school: north campus (3-18), YG Ystalyfera site, Ystalyfera, (scheme integrally linked to project 4 below).
4. A Welsh-medium, 3-18, all through school: south campus (11-16), Sandfields Comp./Traethmelyn Pri. school site, Sandfields, Port Talbot, (scheme integrally linked to project 3 above).
5. An English-medium, 3-11 primary school: Briton Ferry, Neath.
6. An English-medium, 3-16, all through school: Dyffryn (upper) School/Groes Primary site, Margam Port Talbot (*a replacement for Faith school project removed from Band A programme*).
7. An English/Welsh-medium, 3-11 primary school: Coed Darcy, Skewen, Neath.

In order to maximise 21st Century Schools Programme grant funding and the Council's prudential borrowing capacity, it is proposed to re-align the Council's Band A spend profile to achieve better value for money and enhanced project outcomes. The proposed change will deliver a more sustainable and efficient school estate together with significantly improved learning environments contributing to improved learner outcomes.

As a result of the experience gained with recent new builds, Ysgol Bae Baglan in

particular, (which is nearing completion), the Council believes that it can bring greater (and earlier) cost certainty to its capital spend profiles and this, combined with the potential efficiencies achievable through joint project procurement, will enable the Council to deliver schemes with increased benefits both in terms of cost and learner outcomes. Improved schemes within Band A will provide better learning environments for pupils than is currently planned.

The original Band A funding envelope amounted to £93m. Of this, £4m has been allocated to the Welsh-medium school, 11-16 south campus project which will increase access in the south of the County Borough to secondary phase Welsh-medium education. This investment provides for reconstruction/refurbishment of part of the vacated Sandfields Comp./Traethmelyn Pri. school site.

Following a request for change to the Council's SOP Outline Programme Ministerial approval, in principle, (January 2016) realises £38m of WG/NPT funding for a new build 3-16 school on the site of Dyffryn (upper) School/Groes Primary.

The combined funding available for both the WM/Dyffryn School projects amounts to £41m. The Council is able to contribute an additional £3m from capital receipts, efficiencies and savings from planned expenditure within Band A, as required, making available an revised total of £44m. The Council would wish to use this available funding to deliver a new build 11-16 English-medium school at the site of Dyffryn (upper) School/Groes Primary and, importantly, a new build 11-16 Welsh-medium school at the Sandfields Comp./Traethmelyn Pri. school site. To achieve this will mean the proposed English-medium, 3 – 16, all through school on the site of Dyffryn (upper) School/Groes Primary will provide new build for the secondary education phase only.

This revision to the SOP will not alter the number of Band A projects to be delivered.

What is the reason for this change?

Maximum 500 Words (Any words above 500 will be discounted)

Why is this change *necessary*?

The purpose of this request for change to the Council's SOP is to maximise an opportunity to deliver better project outcomes from within a revised Band A capital investment envelope, with a particular focus on upgrading the Welsh-medium south campus project. Presently in Band A £4m has been allocated for reconstruction/refurbishment of existing buildings on the site of Sandfields Comp./Traethmelyn Pri. schools. It was intended that this would serve as a temporary accommodation solution until sufficient capital monies could be secured from future Bands of 21st Century Schools funding/Council prudential borrowing to allow a new build replacement. The existing site has a notional capacity of 1200 pupils and the building is assessed as condition grade C. The proposed 11-16 Welsh-medium school would have a capacity of 650 when fully occupied (2021/22). Until further capital monies have been secured all accommodation surplus to requirements would remain on site and need to be managed even where unoccupied.

Throughout the public consultation the Council has received support for the principle of developing a Welsh-medium school in the south of the County Borough but has faced criticism for not providing 21st Century School standard accommodation.

Re-aligning the spend profile of the Band A programme of projects will address the anxieties about building condition and provide a stimulating 21st Century School environment; improve learner outcomes; and avoid having to revisit the project in future capital funding programmes. In effect this will deliver a complete, new build school in one visit, providing a more cost effective solution to meeting demand for Welsh-medium education.

To enable the additional capital spend on the 11-16 Welsh-medium south campus project will require, in part, a reduced capital spend on the 3-16 English-medium project on the site of Dyffryn (upper) School/Groes Primary. This should not directly impact on the transformational change element of the project as a 3-16 school can still be delivered, albeit operating from new build accommodation intended for secondary phase education and the existing primary phase building.

The 11-16 new build would remove the split site arrangement that currently exists allowing associated management/split site revenue costs efficiencies from a single site configuration to be realised. The proposal also removes a category condition grade D building and circa £3m backlog maintenance and other liabilities on the lower school site plus a further £4m at the upper school site.

Primary phase education would be delivered in the existing primary school building, the condition of which is category grade B. As such, its removal is not an imminent requirement. However, its location on site does represent a design challenge for the new build secondary phase education element and is not conducive to a fully transformational approach to 3-16 education delivery. In this respect its inclusion in a new build project would be advantageous (although not outweighing the advantages gained from the proposed new build 11-16 Welsh-medium school project). An additional capital investment of some £4m would secure a 3-16 new build and remove a further £0.5k backlog maintenance and other liabilities.

What options have you explored?

Maximum 1000 words (Any words above 1000 will be discounted)

At its meeting of 9th July 2015 the Council's Cabinet has determined that the Faith school scheme should be withdrawn from Band A and be substituted with an alternative, replacement project comprising a new build at the site of Dyffryn (upper) School/Groes Primary, Margam, Port Talbot. Members duly authorised officers to develop a 21st Century Schools Programme funding submission to this effect.

The Ysgol Newydd (Dyffryn) scheme was adopted as the substitute scheme because it addresses building condition issues at Dyffryn (lower) School which is a category condition grade D building. This project has been identified as a priority in the Council's initial SOP with the intention of seeking 21st Century Schools Programme Capital funding in Band B. The need to address building condition at

Dyffryn School is also recognised in a letter from the Head of Reorganisation/21st Century Schools Programme to the Council's Chief Executive requesting details of its capital programme plans for this school (July 2015).

The condition of the lower school site is best summarised as being in overall poor condition with several of the building elements already exceeding their practical lifespan and thus requiring urgent renewal e.g. windows, heating distribution, electrical services. It should be noted that all buildings at the lower school site require complete refurbishment and modernisation.

The buildings at the upper school site were constructed in the mid 1960's and many original elements still present in the buildings should be considered for refurbishment and/or replacement.

The project, when complete, facilitates the development of 'all through', 3-16 education on site, rationalising education provision and delivering transformational change. Whether a new build 11-16 or new build 3-16 (preferred option), can be completed within the Band A programme.

The 11-16 Welsh-medium south campus project is integral to the proposal to establish a 3-18 Welsh-medium school with one campus at the north of the County Borough and another at the south. At the Cabinet meeting of 13th January 2016, Members determined to implement the proposal. The south campus is a key driver in promoting Welsh language education by increasing access to secondary education in the south of the County Borough. It will occupy the site vacated by Sandfields Comp./Traethmelyn Pri. The intended initial capital investment of £4m enabled the vacated site to be re-occupied as a 650 place school. This accommodation arrangement provides a temporary solution pending the availability of capital funding for a new build school, complete with playing fields and outdoor play provision. The existing site is a sprawling and ageing collection of buildings and those elements surplus to the requirement of a school for 650 pupils would remain on site for the foreseeable future, whilst outdoor sports facilities would need to be negotiated with the neighbouring school, Ysgol Bae Baglan.

Increasing the investment to circa £6m by means of capital receipts, efficiencies and Band A expenditure savings gives scope for partial new build together with reconstruction/refurbishment. However, this approach still relies on retaining significant elements of the existing build and necessitates revisiting the site as and when additional capital monies become available to complete a whole site redevelopment. Whereas such an approach achieves the objective of making available secondary phase Welsh-medium education in the south of the County Borough it does not provide a cost efficient solution nor does it promote access to Welsh language education to the level a new build school could be expected to achieve.

The re-alignment of Band A programme funding in order to facilitate the delivery of a new build 11-16 Welsh-medium school will attract greater public support than a lesser scheme perceived as providing second rate accommodation. Central to the success of the project - and therefore its achievability, is its acceptance by learners, staff, governors and the wider community. A new build school, underpinned by the

efficiencies of joint procurement and recent experience gained regarding school constructions, will provide a more effective and sustainable solution to promoting access to Welsh language education. The project will also complement the significant capital investment at the north campus and be comparable in quality with the neighbouring, new build English-medium school, Ysgol Bae Baglan – mitigating the impact of which is an important factor in ensuring continued and increased pupil transfer from Welsh-medium primary to secondary phase education transfers.

The benefits of a joint procurement approach are that:

- there is one tender for design and pre-construction development;
- economies of scale can be achieved due to the increased contract sum; and
- there is an opportunity for standardisation of design across two sites.

Furthermore, it delivers two complete 21st Century schools with no necessity to return to the projects within Band B.

How will this affect your ability to match fund?

Maximum 500 Words (Any words above 500 will be discounted)

Option 1: Two new build 11-16 projects delivered within the Band A programme and timeframe.

To realise both projects within Band A will require a total investment of £44m, comprising £27m for the 11-16 English-medium project and £17m for the 11-16 Welsh-medium project.

If approved, the revised cost envelope of the Council's Band A programme would be £122m, with the Welsh Government's 21st Century Schools Programme Capital funding allocation remaining at < £59m (48%) in line with the change of SOP investment approved, in principle. The Council's contribution would amount to < £64m (52%).

Affordability of the Council's match funding for this investment will be confirmed and fully demonstrated within the financial case of the supporting business case.

Option 2 (preferred): Two new build projects delivered within the Band A programme and timeframe; comprising a 11-16 Welsh-medium school and a 3-16 English-medium school.

To realise both projects within Band A will require a total investment of £48m, comprising £31m for the 3-16 English-medium project and £17m for the 11-16 Welsh-medium project.

If approved, the revised cost envelope of the Council's Band A programme would be £127m, with the Welsh Government's 21st Century Schools Programme Capital funding allocation increasing to £61m (48%). The Council's contribution would amount to £66m (52%).

Affordability of the Council's match funding for this investment will be confirmed and

fully demonstrated within the financial case of the supporting business case.

Overview

The efficiencies of joint procurement will deliver better value for money which combined with greater cost certainty allows the Council to propose two new build 11-16 projects. This change to the SOP requires no additional funding from the 21st Century Schools Programme capital fund. However, should additional funding (£4m) be made available, a new build 11-16 Welsh-medium (south campus) project and a new build 3-16 English-medium (Dyffryn/Groes site) project is achievable. The Council's preference is for **Option 2** which, at Welsh Government standard intervention rate of 50% would mean an additional contribution by Welsh Government of £3m. In relation to Welsh Government investment, this amounts to a total contribution of £61m (48% of Band A funding envelope).

Signed:



Printed: Richard Gordon

Position in the organisation: Programme Manager, Strategic School Improvement Programme, Neath Port Talbot County Borough Council

Date: 030516