

CYNGOR SIR POWYS COUNTY COUNCIL.

CABINET EXECUTIVE

28th July 2020

REPORT AUTHOR: County Councillor Phyl Davies
Portfolio Holder for Property and Education

REPORT TITLE: 21st Century Schools Programme Brynllwarch Hall Project

REPORT FOR: Decision

1. Purpose

- 1.1 This report seeks Cabinet approval to submit a combined Strategic Outline Case (SOC) and Outline Business Case (OBC) to Welsh Government's 21st Century Schools Programme for capital investment to replace the existing Brynllwarch Hall building in Kerry, Newtown.
- 1.2 The project is included within the Council's Strategic Outline Programme (SOP) for Band B, which was approved by Welsh Government and the Cabinet in July 2017.
- 1.3 The estimated required funding, including a 25% early stage risk contingency, is as follows:

Welsh Government contribution 75%	£6,868,623.00
PCC 25%	£2,289,541.00
Total	£9,158,164.00

- Annex 1: Combined Strategic Outline Case and Outline Business Case which outlines the strategic case, the case for change, the economic, commercial, financial, and management case
- Annex 2: Brynllwarch additional information (confidential)

- 1.4 In approving the new school development project, the existing school estate will become surplus to School Service requirements. Disposal of the current assets, which includes a Grade II listed Mansion House building, will be in line with the Corporate Asset Policy. Cost allowance for emptying and securing the site is included within the project cost envelope, and a paper outlining proposals and costs for disposal will be presented to School Transformation Board in the autumn.

2. **Background**

2.1 Brynllwarch Hall School is located near Newtown in the county of Powys and provides education for pupils from 8 to 19-year olds, with a wide range of complex individual needs that are unique to every learner. The school is unsuitable for the teaching and learning required to support pupils with significant behavioural, emotional and social difficulties.

2.2 **The case for change is based on the need to improve facilities for pupils at Brynllwarch Hall School. The school is in a very poor condition and has significant site constraints:**

- The current building is in very poor condition, categorised as condition D. The site comprises of 9 buildings built in the 19th Century and includes mobiles dated 2004. Temporary accommodation has been provided in order to vacate parts of the Mansion House which is a Grade II Listed Building. The heating is erratic and difficult to control, lesson time is lost due to transition between buildings, classrooms are too small to meet the needs of the pupils, class rooms do not lend themselves to being a nurturing environment as they are damp, mouldy and in some cases, are in need of repair and maintenance;
- There are significant health and safety and safeguarding issues with the site, including the design and the period of the building enables easy access to roofs and fire escapes, stairs and bannisters are unsafe and enables pupils risky behaviours, large objects in the classrooms mean that supporting pupils when in crisis can be difficult e.g. radiators, pipes.

2.3 **The requested investment will deliver a brand new, purpose-built school with 72 places in age appropriate environments. The new build will deliver the following:**

- Specialist support and provision to pupils with challenging behaviour, emotional and social difficulties, in a modern and innovative learning environment and will better equip teachers to tailor lessons to meet the specific needs of the learners, improving accessibility to learners across the North of Powys;
- Appropriate learning spaces to deliver the new curriculum;
- Specialist equipment, including IT facilities, to support teaching and learning outcomes which will help to ensure all learners maximise their potential;
- More effective use of the site - the school will no longer be dependent on demountable accommodation which is currently dispersed across the site;
- A holistic integrated multi agency approach, with multi-use facilities including a rebound room, community kitchen, meeting room and hall.

The facilities will support the school's well-established relationships with the specialist services; The hire of the facilities will be managed by the school and provide additional revenue income;

- A fully equipped class base, with breakout space, calming room, laundry and hygiene facilities, together with an individual outdoor learning area.
- A flagship community focused school, with community groups being able to access the facilities out of school hours. Safeguarding will be ensured as the school will be able to lock down the teaching areas while enabling community access to the community zone;

- 2.4 The new school will be built on a part of the current site of Brynllwarch Hall School. There will be various external spaces including a forest school area, farm area, grass pitch and tarmac area.

3. Advice

- 3.1 Submitting the joint SOC and OBC to Welsh Government for approval enables the Council to commence the procurement process to appoint a Design and Build contractor and progress to FBC (Full Business Case) stage.
- 3.2 It is appropriate to include early stage risk contingency of 25% at this early project stage. Actual costs will be confirmed following the conclusion of the procurement process.
- 3.3 Welsh Government intervention rate for special schools included within the Band B programme is 75%, which represents good value for money for the council.

4. Resource Implications

4.1 Financial Capital:

The project will be funded through the 21st C Schools Band B Programme. The total cost associated with the project is **£9,158,164.00**. The Council is requesting that Welsh Government provide 75% of the total cost of the project, with Powys County Council responsible for the remaining 25%. The project is funded from Powys 21st C Schools Band B programme- the overall Band B Programme will need to be adjusted to take account of the cost of this scheme to ensure that the overall funding envelope is not exceeded.

Capital funding from Powys County Council will be profiled provided as follows:

	2019/20	2020/21	2021/22	2022/23	2023/24	Total
	£	£	£	£		£
Supported Borrowing						
Prudential Borrowing	346,000	98,968.10	1,359,960.08	443,946.52	40,666.26	2,289,540.96
Reserves						
Total PCC Funding	346,000	98,968.10	1,359,960.08	443,946.52	40,666.26	2,289,540.96

The borrowing detailed above is included in the capital programme and therefore, the costs of borrowing are included in the council's capital charges. The following capital from Welsh Government is requested:

	2019/20	2020/21	2021/22	2022/23	2023/24	Total
	£	£	£	£	£	£
Total Welsh Government funding	0	296,904.30	4,079,880.24	2,369,839.56	121,998.77	6,868,622.87

4.2 Financial Revenue:

Based on the current accommodation schedule, the funding delivered to the school via the schools funding formula will **decrease** by an estimated £41,083, considering the floor area and other premises factors. This will be considered by the Schools Service as it updates its Integrated Business Plan to include provision for 2022/23 budget planning. There are no rates implications for the school as rates are not charged for special schools due to the exemption category for property used by people with disabilities.

It is deemed that the risk of project incurring abortive costs is low. The preferred site has been deemed as developable and the strategy in building a school on this site is in line with the new Transforming Education Programme.

4.3 Impact on balance sheet

The new school will remain on the public sector balance sheet.

4.4 Overall affordability and funding support

75% of the costs of the new school will be funded by Welsh Government, and 25% from PCC. Cabinet and Welsh Government

approved the 21st C Schools Band B Strategic Outline Programme in July 2017.

The Council sets its Prudential Indicators, under the Prudential Code, based on making prudent and affordable decisions and the 21st Schools' project were included in these indicators. The annual cost for the project is £87,300 based on the spend profile above and a 50 year life.

The existing infrastructure will be declared surplus and sold.

4.5 **Timescales:**

Milestone Indicator	Date
SOC and OBC Approved	August 2020
D & B Tender Awarded	March 2021
Design Stage	September 2021
FBC Approved	December 2021
Construction Starts	January 2022
School Opens	Spring Term 2023

4.6 **Procurement:**

"The project will be procured under the SEWSCAP3 framework. Appropriate bonds and collateral warranties will be obtained, and contract signed prior to commencement. The contractor will also be required to secure a Project Bank Account as a condition of the contract".

- 4.7 The Section 151 Officer confirms the project is included within the Councils Capital Programme and is content that the proposal can be supported from a financial perspective.

4.8 **Corporate Property:**

The current school estate will become surplus to School Service requirements upon the opening of the new school building. Disposal of the current assets will be in line with the Corporate Asset Policy and a paper outlining proposals and costs for disposal will be presented to School Transformation Board in the autumn. It is likely that the Council will consider selling the current school estate, which includes a Grade II listed mansion house building.

Further engagement will be required with PCC Heritage officer and Cadw in developing a 'Conservation Management Plan' and 'Development Brief' due to the Grade II listed status of the Mansion House.

The site will need to be emptied of content and secured prior to re-sale, and a cost allowance to undertake this work is included within the project envelope.

5. Legal implications

The Head of Legal and Democratic Services (Monitoring Officer) has commented as follows: "I note the legal comment and have nothing to add to the report".

6. Data Protection

Data Protection Officer comment: "This proposal does not involve the processing of personal data at this stage. However, when the project progresses to construction and transitioning, then data protection legislation must be complied with."

7. Comment from Local Member and Chair of Governors

Councillor Kath Roberts-Jones: "Educating our most vulnerable youngsters should be a priority which should take place in the best possible settings.

Brynlllywarch Hall School desperately needs a new building, something I have been advocating for many years, so the sooner the project on this site commences the better for all concerned. This has already been in the process for several years, so I wholeheartedly support the Cabinet paper."

8. Integrated Impact Assessment

An Impact Assessment has been completed.

9. Recommendation

- 9.1 To seek Cabinet approval to submit the joint Strategic Outline Case (SOC) and Outline Business Case (OBC), as set out in Appendix 1, to the report to Welsh Government's 21st Century Schools Programme for capital investment to replace the existing Brynlllywarch Hall School building in Kerry, Newtown.
- 9.2 The note that the estimated cost of the overall project is £9,158,164.00 with Welsh Government funding 75% of the costs, and the Council

funding 25% and that the current estimates include early stage risk contingency of 25%.

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