

CYNGOR SIR POWYS COUNTY COUNCIL.

**CABINET EXECUTIVE
29th September 2020**

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

REPORT TITLE: Ysgol Calon Cymru Strategic Outline Case (SOC)

REPORT FOR: Decision

1. Purpose

1.1 This report requests Cabinet approval for the following:

- a) To submit a Strategic Outline Case (SOC) to the Welsh Government's 21st Century Schools Programme for investment to develop:
- New facilities for 925 pupils aged 11 – 18 in Llandrindod Wells, replacing the existing poor accommodation at the current Llandrindod campus – to be built on the current Llandrindod Campus;
 - New or remodelled facilities at Builth Wells to accommodate 450 pupils aged 4-18 along with early years facilities – to be built on the current Builth Wells Campus;
 - Community facilities will be included but these have not yet been defined;
 - It is the intention that the Llandrindod Wells campus would deliver English-medium provision and that the Builth Wells campus would deliver Welsh-medium provision.
- b) To bring back a further report to Cabinet by November 2020 outlining the school reorganisation proposals required to achieve the changes outlined above. Full consultation will be undertaken before any final decisions are made.

1.2 The cost of the preferred way forward is estimated to be £61.0 million including *8% Risk and 24% Optimism Bias, which is acceptable at SOC stage, and will be mitigated as the business case process continues into the next stages. This exceeds the funding currently available within the Council's Band B Programme. The funding to support this project will be considered as part of the overarching financial strategy for the delivery of the entire Council's Strategy for Transforming Education in Powys 2020-30 and a request to expand the Band B funding envelope will be made to Welsh Government.

Welsh Government contribution 65%	£39.7m
PCC 35%	£21.4m
Total	£61.0m

1.2 The report is supported by the following appendices:

Appendix A – Ysgol Calon Cymru SOC

Appendix B – Integrated Impact Assessment

2. Background

Strategy for Transforming Education in Powys

2.1 On the 14th April 2020, a new Strategy for Transforming Education in Powys was approved by the Leader via a delegated decision.

2.2 The Strategy was developed following extensive engagement with a range of stakeholders during two separate periods between October 2019 and March 2020. The Strategy sets out a new vision education in Powys, as follows:

‘All children and young people in Powys will experience a high quality, inspiring education to help develop the knowledge, skills and attributes that will enable them to become healthy, personally fulfilled, economically productive, socially responsible and globally engaged citizens of 21st century Wales.’

2.3 The new strategy also sets out a number of guiding principles which will underpin the transformation of education in Powys. These are as follows:

- *A world class rural education system that has learner entitlement at its core*
- *Schools that are fully inclusive, with a culture of deep collaboration in order to improve learner outcomes and experience*
- *A broad choice and high quality of provision for 14 – 19 year old learners, that includes both academic and vocational provision, meeting the needs of all learners, communities and the Powys economy*
- *Welsh-medium provision that is accessible and provides a full curriculum in Welsh from Meithrin to age 19 and beyond
Provision for learners with Special Educational Needs (SEN)/Additional Learning Needs (ALN) that is accessible as near to home as is practicably possible, with the appropriate specialist teaching, support and facilities that enables every learner to meet their potential*
- *A digitally-rich schools sector that enables all learners and staff to enhance their teaching and learning experience*

- *Community-focused schools that are the central point for multi-agency services to support children, young people, families and the community*
- *Early years provision that is designed to meet the needs of all children, mindful of their particular circumstances, language requirements or any special or additional learning needs*
- *Financially and environmentally sustainable schools*
- *The highest priority is given to staff wellbeing and professional development*

- 2.4 The new strategy sets out a number of Strategic Aims and Objectives, to shape the Council’s work to transform the Powys education system over the coming years. One of the Strategic Aims of the Strategy is to ‘*improve learner entitlement and experience*’. Within this aim, the Strategy sets out a Strategic Objectives to ‘*Develop a network of all-age schools based around the 13 current secondary school locations*’.
- 2.5 The strategy also includes a Strategic Aim to ‘*improve access to Welsh-medium provision across all key stages*’. Within this aim, the Strategy sets out Strategic Objectives to ‘*Move schools along the language continuum*’ and to ‘*Develop new primary and secondary provision*’.
- 2.6 In addition, the strategy includes an enabling action to implement ‘*a major capital investment programme that will ensure that schools in Powys have inspiring, environmentally sustainable buildings that can provide opportunities for wider community activity, including where possible childcare services, early years, ALN, multi-agency support and community and leisure facilities.*’

The Case for Change

- 2.7 Ysgol Calon Cymru was established in 2017 following the merger of Llandrindod High School and Builth Wells High School, as part of the Council’s previous Secondary School Reorganisation Programme. It is an 11 – 18 school that operates across two campuses in Llandrindod Wells and Builth Wells. It is also a dual-stream school. Welsh-medium and English-medium provision are delivered on the Builth Wells campus, English-medium provision only is delivered on the Llandrindod Wells campus.
- 2.8 The following table provides key information about the school:

Language Category	Bilingual (Type C)
Age range	11-18
Total number of places in school	708 (Llandrindod) 698 (Builth)

Number of pupils¹	1044
Level of surplus places	362 (26%)
Welsh Medium Pupils	156
ALN/SEN Pupils	15% (School Action)
Free School Meals	11.1%
Pupils from ethnic minorities	4.6%
Number of Teachers	62.4
Pupil Teacher Ratio	16.5%
National School Categorisation	Red

2.9 Current and Predicted Numbers

School	Jan 2020	Jan 2021	Jan 2022	Jan 2023	Jan 2024
Ysgol Calon Cymru	1044	1027	981	964	944

2.10 Building condition information

School	Condition	Suitability	Backlog
Builth Campus	C	B	£2.0m
Llandrindod Campus	C/D	B/C	£5.0m

Problems with the status quo

2.11 The case for change at Ysgol Calon Cymru is based on the following key issues:

- i) The current arrangement does not meet the strategic aim of the Council to improve learner entitlement and experience. The current operating model is neither educationally effective, financially efficient nor sustainable. The school had a deficit of £131k as at 31 March 2020 and is forecasting that this will increase to over £650k by the end of this financial year. There is a risk to the authority's budget if the school is unable to bring its budget back to a balanced position.
- ii) The condition of the Llandrindod campus, in particular, is very poor and in need of significant investment. Backlog maintenance costs on the Llandrindod campus alone are £5.05 million. The Builth

¹ PLASC 2020

campus, whilst in a better condition than Llandrindod, has a backlog maintenance cost of £2.07 million.

- iii) There is a need to significantly improve the learning entitlement and experience for Welsh-medium pupils and expand the limited offer of provision currently available.

In addition:

- Following the merger of Llandrindod Wells High School and Builth Wells High School, it is apparent that there is still not a single culture within Ysgol Calon Cymru – individual cultures continue to exist. The campuses service two different communities with different needs.
- Pupils are not getting optimal access to education or educational experience and are unable to access a broad enough curriculum offer.
- Pupils are not getting the provision that they need because of split resources, which leads to poor behaviour and, in turn, money being spent on pastoral care instead of education.
- There are significant safeguarding issues at the Builth Wells campus (e.g. children play in the car park, alongside the bus stop).
- Duplicating provision means that costs, effort and resources are not deployed effectively (e.g. some classrooms stand empty for half of the week).
- Years 12 and 13 miss out on the full post-16 experience, due to a split site for the sixth form. Many post-16 learners choose to attend providers outside of Powys, with additional and extensive travel required.
- The Welsh-medium offer is sub-standard. The Welsh-medium subject offer is limited, increasingly so as learners move through the school into Key Stage 4 and the sixth form. Due to the lack of a full progression route for Welsh-medium pupils in the area, it is noted that some learners who attend Welsh-medium primary provision in the area choose to attend English-medium provision when they are of secondary school age. This does not enable the creation of a critical mass required to develop a wider curriculum and does not support the development of fully bilingual citizens.

Problems with the Status Quo – Welsh-medium provision at Ysgol Calon Cymru

- 2.12 There is a range of Welsh Medium education provision within the Builth and Llandrindod catchment areas. In the primary sector, Welsh-medium provision is delivered at three dual stream primary schools. In the secondary sector, Welsh-medium provision is delivered on the Builth site of Ysgol Calon Cymru, through a dual stream arrangement. The number of pupils in Welsh medium education in the area is shown in the table below:

School	Number of pupils
Ysgol Calon Cymru	154
Ysgol Trefonnen	86
Rhayader CiW Primary School	66
Builth CP School	104
Total	410

- 2.13 As indicated above, there are issues with the quality and sustainability of Welsh Medium Education in the catchment area, as detailed in Section 2.2.4 of the Strategic Outline Case (SOC), which is attached as Appendix A. This is particularly the case in respect of secondary provision.
- 2.14 The Strategy for Transforming Education in Powys outlines a number of challenges facing education in Powys, one of which is 'Inequality in access to Welsh-medium education'. In respect of secondary provision, the strategy states that: 'The size and proportion of the secondary streams varies considerably across the county, and the range of subjects available through the medium of Welsh also varies significantly. The curriculum offer is increasingly limited for Welsh-medium learners, and there is significant concern amongst the profession regarding the commitment of the authority to learners who study in Welsh.'
- 2.15 In order to address the issues with Welsh-medium provision in the county, the Strategy includes an aim to 'improve access to Welsh-medium provision across all key stages.'
- 2.16 The current Welsh-medium provision at Ysgol Calon Cymru does not meet the Council's aspirations for Welsh-medium provision. Ensuring that learners can access comprehensive Welsh-medium provision throughout their educational careers will be a key requirement of this project.
- 2.17 The Council's aspiration is to establish a Welsh-medium provision which acts as a hub for mid Powys, and potentially beyond, which would ultimately be more attractive to prospective learners and teachers, leading to an increase in the number of learners choosing Welsh-medium education in the catchment, and contributing to the Welsh Government's aspiration to achieve a Million Welsh Speakers by 2050.

The Strategic Outline Case (SOC)

- 2.18 The SOC has been developed in accordance with HM Treasury's Five Case Business Model. The five 'cases' are:
- Strategic Case (The Case for Change)

- Economic Case (Options to address the issues raised in the case for change)
- Commercial Case (Procurement routes)
- Financial Case (high-level indicative costs)
- Management Case (how the project will be managed)

2.19 A wide range of options for Ysgol Calon Cymru have been considered when developing the SOC. These are outlined in pages 31-56 of the SOC, which is attached as Appendix A.

The Preferred Way Forward

2.20 Following an appraisal of options against the identified Investment Objectives and Critical Success Factors, an Economic Appraisal of shortlisted options and a Financial evaluation, the emerging preferred option for Ysgol Calon Cymru is as follows:

- A new 925 11-18 English-medium English-medium (EM) campus in Llandrindod Wells; plus
- A new 450 pupil 4-18 Welsh-medium (WM) all-through campus in Builth Wells.

2.21 Whilst the Welsh-medium pupil numbers would be fairly small, it is expected that an improved Welsh-medium secondary provision would enable parents to have more confidence in placing pupils in pre-school and primary Welsh-medium provision, as there would be full progression available in the locality and wider area, from pre-school through to post-16, and that in the longer term, this would lead to an increase in Welsh-medium pupil numbers.

Advantages and Disadvantages of the preferred way forward

Advantages	Disadvantages
<ul style="list-style-type: none"> • Doesn't deviate from the Council's newly approved Education Strategy (i.e. there is continuity of secondary education in both communities); • Would stimulate, optimise and provide a real focus on Welsh-medium education in Mid Powys; • Would provide economies of scale on the Llandrindod Campus; • Existing sites are available for use; • Allows a much broader curriculum on both campuses; 	<ul style="list-style-type: none"> • Community opposition in Builth Wells as a result of the loss of English Medium (secondary) education from the town; • Welsh Medium all through school would be small and may be revenue intensive; • English Medium learners from Builth would have to travel to Llandrindod on a daily basis (travel to learn time). • Pupil numbers in the Welsh-medium campus would be small initially, particularly in the secondary sector;

<ul style="list-style-type: none"> • Provides value for money and would optimise the use of teacher and asset time; • Removes backlog maintenance of circa £7m; • Delivers new 21st Century standard school buildings at Builth and Llandrindod; • Significant reduction in pupil and teacher travel time between campuses; • Likely to enable some energy efficiencies at the Llandrindod Campus reducing the buildings carbon footprint and ongoing running costs; • Opportunity to develop a critical mass of Welsh Medium learners in the area; • Provides a model whereby the campuses could be 'de-coupled' in future, to run on a stand alone basis. • Continuity of education across all key stages in Welsh medium education; • Enables clear choice for parents in school selection based on language category; • Single language medium schools are more cost efficient to run than dual stream equivalents; • Likely to enable a wider range of Welsh-medium post-16 subjects to be made available; • May be more attractive to Welsh-medium teachers particularly at KS3 and above, with a potential improvement in quality • Delivers a broad Welsh-medium curriculum in a central location • Supports WG ambitions for one million Welsh speakers by 2050. • Eliminates travel between campuses during the school day. 	<ul style="list-style-type: none"> • Sixth form pupil numbers in the Welsh-medium campus would be small initially, and may need to collaborate with the English medium school to meet the Learning and Skills Measure; • Likely to result in an increase in home-to-school transport costs.
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3 Advice

- 3.1 The advice of officers is that the SOC should be submitted to Welsh Government for approval, to enable the Council to proceed with the project and progress to the next stage of the business case process.
- 3.2 The Welsh Government's intervention rate for schools within Band B of the 21st Century Schools programme is 65%, which represents good value for money for the Council. Cabinet is advised that there is a significant early stage risk contingency of 25% within the estimated project costs, which is appropriate at a SOC stage. More detailed estimated costs will be confirmed at Full Business Case stage.
- 3.3 Submitting the SOC to Welsh Government does not pre-judge the outcome of any formal consultation processes linked to the project.
- 3.4 The process of obtaining funding as part of the 21st Century Schools Programme is based on HM Treasury's Five Case Business Model. The first stage is to develop a Strategic Outline Case which sets out the strategic intention and includes high level information. If formal consultation is required, then this must be carried out and concluded before the second stage takes place, which is the development of an Outline Business Case. If the decision following consultation is not to proceed with the project, then no further business cases would be developed. If the decision is to proceed with the project, then an Outline Business Case and a Full Business Case are developed. Construction can only start following successful approval of the FBC.
- 3.5 It is also advised that officers bring back a further report to Cabinet by November 2020 outlining the school reorganisation proposals required to achieve the changes outlined above. Full consultation will be undertaken before any final decisions are made.
- 3.6 It must be noted that the Council is currently working on developing a new model of post-16 education across the whole county. This may have implications on the age range of the school, but the scheme will need to be developed with enough flexibility should there be changes to post-16 education in the future. The same is true for ALN/SEN provision, with a new model of delivery currently being developed.
- 3.7 Whilst it is acknowledged that the preferred way forward identified for Ysgol Calon Cymru would address issues related to Welsh-medium provision in the Mid Powys area, the Council is also committed to improving the provision of Welsh-medium education across all areas of the county, including South Powys – options for this area will be brought back to Cabinet at a later date.

3.5 Indicative Timescales

Date	Actions (commencement)
11/2020	Consultation
07/2020	Cabinet decision following consultation
	The following stages will only be taken forward if Cabinet approves the proposal following the consultation process
09/2021	OBC approval
11/2021	Appoint Contractor
08/2022	FBC approval
08/2022	Construction commences
09/2024	New Llandrindod campus opens, new/remodelled Builth campus opens - the exact sequencing of construction will need to developed during the next stages of business cases

4. Resource Implications

4.1 Estimated costs are as follows:

Project Costs	
Capital Cost	£45.6m
Optimism Bias	£10.9m
Risk	£4.6m
VAT (only to be included where non-recoverable by applicant)	N/A
Total Project Cost (inclusive of optimism bias and risk)	£61.0m
Welsh Government Contribution (65%)	£39.7m
PCC Contribution (35%)	£21.4m

4.2 The attached SOC identifies a potential revenue saving of £0.6 million per annum which combines the savings that would fall to the school as well as those that would fall to the Council. The amount of funding provided to schools is driven by the funding formula. Any change to the formula funding provided will impact on the Council's revenue budget. Based on the current formula, the savings falling to the Council's revenue budget is estimated to be £0.3m per annum.

4.3 The current 21st Century School grant conditions allow Welsh Government to claw back grant, if the school has over 15% surplus capacity 5 years after occupation of the school. The capacity of these facilities seems to be in excess of the current demand, so this remains a risk to this scheme.

- 4.4 Development and implementation of the proposal would require involvement from a number of service areas, including staff from the Schools Service, Finance, HR and ICT. These service areas will be kept informed of the development of the proposal throughout the statutory process.
- 4.5 The Head of Finance (Section 151 Officer) states: The funding to support this project will be considered as part of the overarching financial strategy for the delivery of the entire Council's Strategy for Transforming Education in Powys 2020-30, which will be provided for Cabinet's consideration later this Autumn. The revenue funding to support the Schools funding formula is considered as part of the Council Budget process and the individual allocation to the new school will be recalculated at the point of opening. Confirmation of the funding will be considered at Full Business Case submission and is not subject to approval at this stage.

5. Legal implications

- 5.1 Legal: The recommendation can be supported from a legal point of view.
- 5.2 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. Comment from local member(s)

6.1

7. Integrated Impact Assessment

- 7.1 An initial impact assessment of the preferred way forward is attached as Appendix B. The impact assessment considers the proposal's impact on the Welsh Government's well-being goals, as outlined in the Well-being of Future Generations Act.

The summary of the impact assessment is as follows:

'This impact assessment suggests that the impact is generally positive. The development of new facilities for Ysgol Calon Cymru's Llandrindod and Builth campuses address many issues related to the poor condition of the buildings. Co-locating all the English-medium pupils and Welsh-medium pupils on different sites would enable the school to provide a greater level of educational opportunities for all pupils. Improving the Welsh-medium secondary provision in Mid Powys is a key consideration as part of this development. There are currently significant concerns about the level of provision available to Welsh-medium learners in the area. Implementation of the preferred option

would lead to the establishment of a Welsh-medium all-age school in Builth Wells, enabling learners to access full Welsh-medium provision throughout their educational careers, and enabling them to become confidently bilingual, with Welsh language skills that will enable them to use these Welsh language skills throughout their lives.’

Should Cabinet approve continuing with the preferred option, the impact assessment will be regularly updated throughout the process to take account of any feedback received.

8. Recommendation

8.1 It is recommended that Cabinet approves the following:

- a) To submit a Strategic Outline Case (SOC) to the Welsh Government’s 21st Century Schools Programme for investment to develop:
 - New facilities for 925 pupils aged 11 – 18 in Llandrindod Wells, replacing the existing poor accommodation at the current Llandrindod campus – to be built on the current Llandrindod Campus;
 - New or remodelled facilities at Builth Wells to accommodate 450 pupils aged 4-18 along with early years facilities – to be built on the current Builth Wells Campus;
 - Community facilities will be included but these have not yet been defined;
 - It is the intention that the Llandrindod Wells campus would deliver English-medium provision and that the Builth Wells campus would deliver Welsh-medium provision.

- b) That officers bring back a further report to Cabinet by November 2020 outlining the detailed implementation steps, including consultation, required to achieve the new facilities.

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