

Report To: Cabinet

Date of Meeting: 23rd January 2018

Lead Member / Officer: Councillor Huw Hilditch Roberts, Lead Member for Children, Education and Young People

Report Author: Karen Evans, Head of Education and Children's Services

Title: **Delivery of Band B – 21st Century Schools Programme**

1. What is the report about?

To advise Cabinet of the approval of its Band B Programme submission for the 21st Century Schools and Education Programme and the implications for delivery for Denbighshire County Council.

2. What is the reason for making this report?

To advise Cabinet of progress in respect of Band B of the 21st Century Schools and Education Programme and to make recommendations in respect to planning for the delivery of the Programme for Denbighshire County Council.

3. What are the Recommendations?

- 3.1 That Cabinet confirms its financial commitment to delivering Band B proposals in accordance with the Strategic Outline Programme as submitted to the Welsh Government to enable it to meet the priority included within the Corporate Plan 2017-2022.
- 3.2 That Cabinet confirms that it has read, understood and taken account of the Well-being Impact Assessment (Appendix 1) as part of its consideration.

4. Report details

- 4.1 The Council over the last 4 years has made excellent progress in delivering the Band A proposals within the 21st Century Schools Programme, in partnership with the Welsh Government. By 2019 the Council will have invested over £90m in partnership with the Welsh Government to deliver 8 key projects. The Welsh Government invited local authorities to submit proposals for the next round of funding, Band B in May 2017 and the Cabinet approved a submission to the overall value of £80m in July 2017. This submission included reference to the ongoing work regarding the priorities for the Corporate Plan which was subsequently approved by Council in October 2017.
- 4.2 In November 2017 the Education Secretary for Wales announced that across Wales a further £2.3bn was to be earmarked for investment in education infrastructure across Wales via Band B of the 21st Century Schools Programme. The Council received confirmation in December 2017 from the Welsh Government of the approval in principal

of this second wave of investment, subject to the approval of individual project business cases. The approval letter also outlined the next steps for the delivery of Band B in partnership with individual local authorities and the need to develop the appropriate planning of financial resources.

- 4.3 In view of this announcement Cabinet is requested to clarify its financial commitment to the delivery of the Band B proposals. The overall Programme approved is of a value of £80.5 million, of which Denbighshire will be required to make a contribution of £32.8m to its community schools. The planning for the Corporate Plan has made an outline assumption of an annual revenue commitment to meet the aspirations of the plan but is clear that this is subject to the overall financial position of the Council.
- 4.4 The initial planning for the delivery of Band B suggests that should the Denbighshire contribution be delivered solely through prudential borrowing a commitment of £1.836m would be required to meet the planned spend across the proposed seven years of the Band B programme.
- 4.5 The delivery of the Band B proposals will be overseen by the new Corporate Programme Board for Housing and Young People with individual Project Proposals to be considered in due course by the Strategic Investment Group and Cabinet.

5. How does the decision contribute to the Corporate Priorities?

The support of this recommendation would enable the Council to move forward towards planning for the delivery of Band B and seek to secure a potential £80m investment in the school estate to ensure that the priority of continuing to modernise schools via the 21st Century Schools programme is implemented.

6. What will it cost and how will it affect other services?

The delivery of Band B is estimated to cost Denbighshire £32.8m over the 7 year period for which Denbighshire's plans are based upon. This is based on a 50/50 contribution from the Welsh Government for Community School projects together with funding for a Voluntary Aided school which will be funded via a different 85/15 ratio. The revenue to support the delivery of the programme is expected to come from corporate savings to be re-invested to deliver the Corporate Priorities together with any savings which may arise from the delivery of the Modernising Education agenda.

Should the Programme be progressed the development of individual projects would continue to have workstreams for other teams within the Council, in particularly Design and Construction. The costs of these teams will be absorbed within the overall outline costs proposed.

7. What are the main conclusions of the Well-being Impact Assessment?

The development of the Programme for investment for 21st Century Schools should have a positive impact on Denbighshire. The construction phase will lead to increased investment in local companies and improve employment prospects. Site selection may have a negative impact on a resilient Denbighshire and this will need

to be carefully considered. The provision of modern buildings should impact positively on a healthier and equal Denbighshire whilst providing an opportunity for a more cohesive community. The impact on Welsh Language will be guided where investment is made.

8. What consultations have been carried out with Scrutiny and others?

The initial long list of proposals was subject to consideration by elected members in December 2016 and the Strategic Outline Programme. The development of the projects within the programme will be subject to extensive consultation.

9. Chief Finance Officer Statement

The council's revenue budget requirement to fund the borrowing to support the Band B programme set out will be around £1.8m over the seven years of the programme. Until the end of 2022, this will be met from the proposed allocations in future years' budgets to support the current Corporate Plan priorities. It should be noted that the programme costs are based on estimates and may change as detailed proposals develop. Also, the borrowing costs assumed are also likely to change over the course of the seven years. Both factors, taken with the continuing reduction to council funding may affect future affordability. The programme may therefore have to be refined to reflect such changes in future years. Individual schemes will be subject to the council's usual approval processes, including review by the Strategic Investment Group.

10. What risks are there and is there anything we can do to reduce them?

The approach towards delivering the Modernising Education Programme includes clear procedures for the management and escalation of risks at both the Programme and Project level. Should the programme be progressed these procedures would continue. The risks associated with not progressing the programme would focus on the following key areas. By accepting the risk around maintaining poor or life expired buildings the costs around maintenance are expected to increase over time. For pupils in such buildings their learning opportunities may be impacted upon.

11. Power to make the Decision

Section 14 of the Education Act 1996 places a duty on local authorities to secure sufficient schools for providing primary and secondary education.