

DRAFT

Appendix 1: Strategic outline programme (SOP) revision template

Request for change

Key facts

Local Authority *Denbighshire County Council*

Requested amount of Increase to Envelope *£14.7m*

Has this been signed off by the Cabinet *To be discussed at Cabinet 19th November 2019*

Please provide a summary of the proposed change.

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

Further feasibility work has been undertaken on nearly 20 schools which form part of the review area and the likely trends regarding pupil demands. This work has reflected the changing financial climate and the implications of the revisions to the funding intervention rates.

The main changes to the programme which highlighted 5 areas reflect the findings of further feasibility works, a review of the drivers for change alongside options for the programme to remain affordable for Denbighshire.

Rhyl Primary Area

The majority of the schools here are of a similar era. Generally they are ranked Condition C and reflect this position. The primary school in the worst condition is the newer building Ysgol Bryn Hedydd. This school has a deficit of places and mobile accommodation. Overall the main issues in Rhyl are a high demand for places and the anomaly of Ysgol Llewelyn operating as a three form entry. This is the largest Primary school by nearly 200 places and is contrary to the County model of two form entry.

Denbigh Review

In the Denbigh area 10 primary schools have been assessed together with the Middle School, Secondary School and Special School located in the town. The issues to be addressed in the town were the condition of buildings alongside some of the more broader challenges for the town's education provision. This includes the number of shared sites which impact on the delivery of provision including Denbigh High and Ysgol Plas Brondyffryn (a specialist school for autism) together with the shared site of Ysgol Twm o'r Nant / Ysgol Frongoch and Ysgol Plas Brondyffryn. The two schools which provide Secondary provision have differing issues. In particular Denbigh High needs to be reviewed in terms of future sizing and has significant surplus places at present.

In Denbigh, the condition of buildings is mixed. Of these 4 schools were ranked as C for both condition and suitability; namely Ysgol Pendref; Ysgol y Parc; St Brigid's and Denbigh High School. Ysgol Plas Brondyffryn is based on three sites at present and is unable to meet the growing demand for places. Two of the sites have seen investment in the last 15 years with extensions or new build accommodation. An option to consider if a new building on a single site is considered for the school is the long term use by the existing buildings for other schools. The position for Ysgol Y Parc, an infants school is complicated by the fact that its partner Junior school, Ysgol Frongoch, shares a site and facilities with Ysgol Plas Brondyffryn.

Llangollen

In Llangollen the issues relate to the nature of the buildings. The three schools are all Condition and Suitability C. The shared building for Ysgol Bryn Collen and Ysgol Gwernant presents challenges to the efficient delivery of the two schools. This presents issues for the progression of the objectives within the Welsh in Education Strategic Plan – a statutory requirement – and the ability to increase the number of Welsh medium learners based on the current site configuration.

Additional Learning Needs

The focus of this worksteam has changed and a more locality based cluster approach utilising existing sites has emerged. This negates the approach for a single site investment as initially considered.

Bodelwyddan

The initial provision was based on the timelines for the Key Strategic Site to be progressed in the settlement. The timelines for the site may not require investment within the timescales of Band B and the likely developer's contribution may meet these requirements.

The initial programme envisaged 7 projects being delivered. The revised programme will also see 7 projects delivered; namely:-

Ysgol Bryn Collen / Ysgol Gwernant, Llangollen - Extension to school for additional classrooms and refurbishment of existing provision. The purpose is to provide a clearer demarcation between the two schools – currently the layout of the building has an impact on both schools ability to operate independently and meet any demand for additional spaces.

Ysgol Dinas Bran, Llangollen - The proposal allows for an extension to the dining block to provide spaces to remove poor areas of learning and for the provision of a new parking area to remove the current issues regarding segregation of cars and pedestrians on site.

Ysgol Pendref, Denbigh - The proposal allows for the provision of a new school. The existing school site will be difficult to develop and the buildings are generally in a poor condition. The lower cost option will be a new build.

Ysgol Plas Brondyffryn, Denbigh - The proposal will see a new building erected on the playing fields at Denbigh High. This will allow for their existing sites to be vacated and allow all learners to be based on a single site rather than the three currently utilised. Options for the re-use of the sites will be considered further including the use by Denbigh High.

St Brigid's Voluntary Aided Trust school, Denbigh - The proposal allows for the removal of all mobile accommodation by the building of a new teaching block. This would form the main area of teaching at the school and remove 14 mobile classrooms. The funding requirements would see the Trustees of the school requested to make a contribution of approximately £2.5m towards the scheme based on the 85/15 split for Voluntary Aided schools.

Denbigh High School, Denbigh - The proposal will see the capacity of the school reduced. The proposal allows for the removal of the poorer areas of accommodation and the school utilising the space which may be vacated by Ysgol Plas Brondyffryn. This will address issues of poor teaching accommodation, restricted external space and access to the site.

New Primary School, Rhyl -The proposal allows for the creation of a new 420 FT school in Rhyl. This proposal would utilise the potential site at Aberkinsey Park. The timing of any proposal would need to be mindful of the potential impact of Christ the Word on the demand for pupil places in the Rhyl area.

What is the reason for this change?

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

The Council's original proposals was based on a split of projects and included projects which were to be undertaken for a Voluntary Aided Trust school and a Special School. For community / special projects the programme had a value of £65.6m. In addition there was a project for a Voluntary Aided Trust school which was based on a further £12.7m which was to be met on the 85/15 split between Welsh Government and the Trust.

The change in the intervention rate for community schools and for special schools has had a significant impact on the size of Denbighshire's programme.

With the potential projects for Ysgol Plas Brondyffryn now attracting 75% match funding and the community schools attracting 65% match funding, to deliver a similar level of programme would no longer be possible based on the Welsh Government contribution of £45.5m as per the initial SOP.

Whilst there are a range of permeations for the Programme should the two projects for the Trust and Ysgol Plas Brondyffryn remain, based on the revised feasibility costs the remaining WG contribution for investment in community schools would total £13.6m leaving an overall total of £20.8m for all community schools.

This has placed Denbighshire in a difficult position in terms of meeting priority areas. A revised programme including these two schools would see Denbighshire's investment reduced from £32m to £13m. Whilst this assists affordability the Council's Corporate Plan includes ambitions for investment in the school estate and is in a position to contribute a higher sum than £13m to deliver Band B.

An exercise has been undertaken based on updated feasibility costs and the review of priorities to present a revised programme for Band B (see cost matrix attached).

The overall cost of this indicative programme is £83.1m. The current example would see a contribution from Denbighshire of £21.8m. For this to balance there would be a need for an increase in the Welsh Government contribution to a higher sum of £60.2m, an actual increase of £14.7m.

What options have you explored?

Maximum 1500 words (Any words above 1500 will be discounted)

The Modernising Education Programme Board considered three main options to address the impact to the programme of the amended intervention rates.

The Programme Board membership includes the Corporate Director (Communities), the Senior Responsible Owner of the Programme; the Head of Education and Children's Services – the statutory Director of Education; the Chief Accountant – acting Section 151 Officer; the Lead Member for Education, Children's Services and Public Engagement; the Lead Member for Finance, Performance and Strategic Assets; the Principal Manager – Education Support with the Design and Construction Manager in attendance on behalf of the Assets service.

The options were as follows:-

Option 1 – Seek additional funding from Welsh Government via a revised Strategic Outline Programme

This would require discussions with Welsh Government to seek whether this is feasible and affordable from their perspective. Based on the indicative figures an increase of approximately £15m may be required from the Welsh Government to deliver the programme in Appendix 1. This would also mean that the Denbighshire contribution may be reduced from the £32m in the approved SOP to a figure closer to £22m. For the delivery of Band A DCC asked a similar question to the Welsh Government and the size of the programme increased from £73.4m to £86.1m based on an increase in resources from both parties, this was an increase of just under £13m.

Advantages – this option allows the overall aims of Denbighshire and the Welsh Government via Band B to be realised. Would enable the Programme to address real priority areas for Denbighshire whilst providing a mixture of schemes.

Disadvantages – the option depends upon the support of Welsh Government to provide additional resources to allow these priorities to be met

Option 2 - Reduce the scope of the DCC programme to ensure that the Welsh Government contribution remains at £45m

This would require either projects to be reduced in scale or removed from the indicative programme. The Board would need to provide a steer regarding which projects would be amended to allow the funding programme to equate to the £45m contribution from Welsh Government.

Advantages – the programme may require a lower financial investment from Denbighshire dependent upon which projects were removed.

Disadvantages – some priority projects will have to be removed from the indicative programme or the scale of projects reduced or compromised. This will have a knock on effect on future priorities areas identified for Band C etc. and would delay addressing the investment objectives of Band B.

Option 3 - Consider whether to fund any projects as a DCC project outside of the 21st Century Schools Programme

An option could be to suggest one of the smaller projects is 100% funded by DCC outside of the programme. This could give flexibility for DCC but may not represent value for money.

Advantages – this would provide flexibility for the Council to address priorities at a later date if so required

Disadvantages – would reduce the scope of works that could be undertaken for the resources available

The Modernising Education Programme Board met on the 1st October to consider the findings and provide a steer in terms of moving Band B forward. The view of the Board was that the Welsh Government be approached to discuss a potential increase in their resources. This was based on Denbighshire's track record for delivery on 21st Century Schools and the affordability of what is proposed.

This was reported to Cabinet Briefing on the 7th October. This is attended by all members of Denbighshire's Cabinet together with the Chief Executive, Corporate Directors, Section 151 Officer and the Monitoring Officer. Cabinet Briefing endorsed the approach to the Welsh Government for additional funding.

The consensus was to approach the Welsh Government to examine the options for expanding the Welsh Government contribution.

This view was taken on the basis that the proposals met the national aims for the 21st Century Schools Programme and would allow a greater amount of investment and change to take place during Band B to address schools buildings in poor condition.

How will this affect your ability to match fund?

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

The proposed amendments would affect the overall programme envelope as follows (see Appendix):-

- Welsh Government - £60,200,662
- Denbighshire County Council - £21,122,360
- Trustees of a Voluntary Aided School - £2,518,174

The initial programme previously approved included the following contributions:-

- Welsh Government - £45,486,982
- Denbighshire County Council - £32,779,500
- Trustees of a Voluntary Aided School - £2,240,732

The amendments due to the impact of the intervention rates would see the Council's match funding reduced from £32m to £21m should the additional resources be made available by Welsh Government.

Denbighshire's element of match funding has been prioritised as part of the Corporate Plan and an element of revenue funding to generate prudential borrowing is part of the current plan which runs from 2017 to 2022. The Plan includes the commitments for beyond the lifetime of the current plan.

This proposal would require an increase in match funding from Welsh Government of £14,713,680

Signed.....

Printed.....

Position in the organisation.....

Date.....

PLEASE ENSURE A REVISED FINANCIAL MATRIX IS SUBMITTED WITH THIS FORM TO REFLECT THE PROPOSED CHANGES