

## Appendix 1 – 21<sup>st</sup> Century Schools Programme - Band B Proposals

### Background

Denbighshire County Council working in partnership with the Welsh Government has delivered approximately £90m worth of investment to Denbighshire school buildings over the last 6 years as part the 21<sup>st</sup> Century Schools Programme Band A. The programme has significantly transformed the learning environment for many of Denbighshire's pupils. The programme has also boosted the economy through this investment. 5 of the 8 projects were delivered by North Wales Construction companies and all projects sought to maximise within procurement regulations local spend.

The next phase of investment in the retitled 21<sup>st</sup> Century Schools and Colleges Programme will be Band B which will operate over a 5 year period.

Cabinet approved a revised Strategic Outline Programme for Band B and this was submitted to the Welsh Government in December 2019 and included the following potential projects:-

Project	Welsh Government	Denbighshire	Other	Total
Ysgol Gwernant / Ysgol Bryn Collen, Llangollen	£3,532,014	£1,901,854		£5,433,867
Ysgol Dinas Bran, Llangollen	£3,120,408	£1,680,220		£4,800,628
Ysgol Pendref, Denbigh	£4,976,765	£2,679,797		£7,656,561
Denbigh High School	£9,999,801	£5,384,509		£15,384,310
St Brigid's, Denbigh	£14,269,651		£2,518,174	£16,787,825
Ysgol Plas Brondyffryn, Denbigh	£17,597,398	£5,865,800		£23,463,198
Rhyl Primary	£6,704,624	£3,610,182		£10,314,806
	£60,200,661	£21,122,361	£2,518,174	£83,841,196

### Response from Welsh Government

In March 2020 Denbighshire received the following response from the Welsh Government:-

"We have received a number of applications for Strategic Outline Programme revisions and are conscious of funding and affordability at this early stage of Band B. We therefore needed to define a process to treat such requests consistently. Following discussion at the

recent Education Investment Panel meeting, the Minister for Education has now agreed the process detailed below:

- Where delivery partners wish to include and prioritise a new scheme that was not contemplated in their original Band B SOP they must revise their SOP to reflect the order of priority of schemes with any schemes that fall in excess of the original funding envelope sitting on a “reserve” list pending availability of funding above the original envelope.
- Delivery partners are not normally permitted to swap a MIM funded project to a Capital funded project;
- Delivery partners are permitted to swap a Capital funded project to a MIM funded project (subject to availability of revenue funding);
- Delivery partners may swap schemes in and out of Band B within their original funding envelope provided that their original SOP is amended to make the replacement scheme part of Band B. This change would be subject to approval through the Welsh Government business case process.”

In light of this advice from Welsh Government revised proposals for Denbighshire would be required in the first instance to bring down the Welsh Government contribution by approximately £15m to £45,486,983 as per the Strategic Outline Programme.

Any project which was below the affordability line would be seen as a reserve should additional funding become availability as per the guidance.

An alternative option of a percentage reduction in all projects may be problematic. An arbitrary reduction in the initial project costs across the board will require the scope of all projects to be reduced and may not deliver all that is intended from Band B. Therefore on balance the approach of phasing delivery of the projects within the programme has been proposed.

From the local authority perspective all of the seven projects identified have been deemed as a priority for delivery. However in this instance to enable works to proceed this pragmatic approach has been developed.

The proposals would aim to see the programme delivered in two phases, dependent upon future decisions on funding.

### Phased approach to delivery of Programme

Project	Funding split	Welsh Government	Denbighshire	Other	Total
<b>Phase 1</b>					
Ysgol Gwernant / Ysgol Bryn Collen, Llangollen	65/35	£3,532,014	£1,901,854		£5,433,867
Ysgol Pendref, Denbigh	65/35	£4,976,765	£2,679,797		£7,656,561
Denbigh High School	65/35	£9,999,801	£5,384,509		£15,384,310
Ysgol Plas Brondyffryn, Denbigh	75/25	£17,597,398	£5,865,800		£23,463,198
<b>Total</b>		<b>£36,105,978</b>	<b>£15,831,959</b>		<b>£51,937,936</b>

<b>Phase 2</b>					
Ysgol Dinas Bran, Llangollen	65/35	£3,120,408	£1,680,220		£4,800,628
St Brigid's, Denbigh	85/15	£14,269,651		£2,518,174	£16,787,825
Rhyl Primary	65/35	£6,704,624	£3,610,182		£10,314,806
<b>Total</b>		<b>£24,094,683</b>	<b>£5,290,402</b>	<b>£862,703</b>	<b>£31,903,259</b>

This approach would see an overall investment to the value of £51.9m within the school estate delivering improvements for 5 schools in total in the first phase.

This allocation would leave approximately £9.4m of Welsh Government funding together with £5.2m of Denbighshire funding to be reallocated to projects within Phase 2. The Council will continue to lobby the Welsh Government for the release of additional funding which may allow the overall programme to be delivered.

The main risks with this approach is the impact on the condition of buildings at Ysgol Dinas Bran and St Brigid's. Overall the quality of provision at Dinas Bran is mixed and the approach being considered will be a phased approach with the first area of investment being targeted. St Brigid's currently relies heavily on mobile accommodation which is generally of poor condition. There is a long term requirement for the Council working with St Brigid's Trust as a Voluntary Aided trust to address these concerns over the conditions for education.

The main risk for the Rhyl Primary provision is demand for places. At present there is high demand for places in primary provision and across the 4 community schools in the town there are year groups with no surplus places for in year admissions.

## **Way Forward**

The proposal would be to commence the 4 projects in Phase 1 over the coming months.

This would see individual projects emerge and these would be subject to review by the Welsh Government and Denbighshire through the 5 Case Business Model. From a Welsh Government perspective projects with a value in excess of £5m will be required to be progressed in three stages; namely the Strategic Outline Case (SOC), Outline Business Case (OBC) and Full Business Case (FBC). Projects below £5m will be approved via a single Business Justification Case (BJC).

The progression of the projects will release resources to commence the various stages.

All projects will be procured via the North Wales Construction Framework dependent on the construction value for individual projects. The Framework includes a range of companies, many North Wales based, and allows for the appointment of companies based on the scale of the project.