

Meeting of:	<b>Cabinet</b>
Date of Meeting:	<b>Thursday, 01 May 2025</b>
Relevant Scrutiny Committee:	Learning and Culture
Report Title:	Update on Sustainable Communities for Learning Programme – St Richard Gwyn
Purpose of Report:	To seek Cabinet approval for the Sustainable Communities for Learning (SCfL) team to submit Full Business Case (FBC) for St Richard Gwyn High School.
Report Owner:	Cabinet Member for Education, Arts, and the Welsh Language
Responsible Officer:	Elizabeth Jones, Director of Learning and Skills
Elected Member and Officer Consultation:	<p>Officers Consulted:</p> <p>Matt Bowmer: Head of Finance/Section 151 Officer</p> <p>Gemma Jones: Operational Manager, Accountancy</p> <p>Trevor Baker: Head of Strategy, Community Learning and Resources</p> <p>Lisa Lewis: Operational Manager, Strategy and Resources</p> <p>Natasha Burton: Project Manager, Sustainable Communities for Learning</p>
Policy Framework:	This is a matter for Executive decision by the Cabinet
<p>Executive Summary:</p> <ul style="list-style-type: none"> <li>On 20th July, 2023, the Council’s Cabinet authorised the Director of Learning and Skills to undertake a consultation from 5th September 2023 to 17th October, 2023 on the proposal to make a regulated alteration under section 2.3 of the School Organisation Code November 2018 to increase the capacity of St Richard Gwyn High School from 813 places to 1,050 places. The proposal will also include a 60 place SRB unit (C71).</li> <li>On 12th December, 2023, Welsh Government approved the Rolling Strategic Outline Programme (SOP) for the Sustainable communities for Learning, this included St Richard Gwyn High School.</li> </ul>	

- On 6th August, 2024, we received approval to proceed from Welsh Government on the Outline business case (OBC) for St Richard Gwyn.
- On 20th September, 2024, Cabinet approved the acceptance of the competitive tender for St Richard Gwyn High School, allowing the Council to enter in Post Service Contract (PSC) with Morgan Sindall.
- The PSC works is starting to conclude, with the Council receiving a full cost plan from Morgan Sindall on 21st March, 2025 for the scheme, the key information is highlighted within this report.
- Cabinet approval is required to submit the Full Business Case (FBC) to Welsh Government by 2nd May, 2025.

## **Recommendations**

1. That Cabinet provides approval to submit the Full Business Case (FBC) for St Richard Gwyn High School to Welsh Government.
2. That the use of Section 15.14 of the Council's Constitution (urgent decision procedure) be authorised in order for the Sustainable Communities for Learning (SCfL) team to submit the FBC by 2nd May deadline.

## **Reasons for Recommendations**

1. To seek grant approval from Welsh Government to develop St Richard Gwyn High School.
2. To enable the SCfL team to submit the FBC by 2nd May deadline.

### **1. Background**

- 1.1** The Sustainable Communities for Learning Programme (SCfL) is a long-term strategic investment in educational estate throughout Wales. It is a unique collaboration between Welsh Government, the Welsh Local Government Association (WLGA), Local Authorities, colleges and diocesan authorities.
- 1.2** The Sustainable Communities for Learning Rolling Programme requires the Council to meet the following investment objectives:
  - addressing growth in demand for Welsh medium education;
  - elimination of surplus capacity and inefficiency in the system;
  - expansion of schools in areas of increased demand for educational services;
  - address condition of educational assets; and
  - making assets available for community use where demand exists
- 1.3** On 20th July, 2023, the Council's Cabinet authorised the Director of Learning and Skills to undertake a consultation from 5th September, 2023 to 17th October, 2023 on the proposal to make a regulated alteration under section 2.3 of the School Organisation Code November 2018 to increase the capacity of St Richard Gwyn High School from 813 places to 1,050 places. The proposal will also include a 60 place SRB unit (C71).
- 1.4** In March 2024, the Council submitted its Strategic Outline Programme (SOP) to Welsh Government following Cabinet approval. In August 2024, the rolling programme was approved, identifying the projects that will form part of the new wave of investment, one of which will be the redevelopment of St Richard Gwyn. This scheme originally formed part of the Council's Band B SOP which was subsequently approved by Welsh Government.

- 1.5** The planning application for this scheme was considered and approved by planning committee on 25th April, 2024.
- 1.6** On 17th May, 2024, the Council invited tenders for the construction of St Richard Gwyn RC High School. The tender process utilised lot 10 of the South East Wales Schools and Capital Funding (SEWSCAP) Contractor Framework.
- 1.7** On 20th September, 2024, Cabinet provided approval via emergency powers for the acceptance of the competitive tender for St Richard Gwyn High School, allowing the Council to enter in Post Service Contract (PSC) with Morgan Sindall.
- 1.8** The first stage appointment included design and procurement services only. This included developing a range of design options working alongside key stakeholders. The PSC works is almost concluded and the Council will require Cabinet approval to proceed to stage two of the contract with Morgan Sindall which will be requested in a further Cabinet report once final costings are known.
- 1.9** Cabinet approval is required in order to submit the Full Business Case (FBC) to Welsh Government by 2nd May, 2025.

## **2. Key Issues for Consideration**

- 2.1** On 17th May, 2024, the Council invited tenders for the construction of St Richard Gwyn High School. The total construction costs for the scheme was estimated at £59m, with an overall project budget of £64.932m.
- 2.2** On 21st March, 2025, the contractor provided the Vale of Glamorgan Council with the second stage proposal for contract which includes the costs for all the work packages under the project. The contractor issued the tender to the sub-contractors on a 'Not to exceed' figure rather than a competitive tender. The total of the work packages returned from sub-contractors totalled £63.9M.
- 2.3** This is over the £59M construction cost that we had originally anticipated. However, there is opportunity to bring this figure down when undertaking value engineering throughout project delivery.
- 2.4** Morgan Sindall will competitively tender the scheme to their supply chain once the design is fully complete. Once RIBA stage 4 design has been completed, they will then be in a position to receive accurate prices from their supply chain.
- 2.5** These costs are based on worst case scenario, from discussion with relevant stakeholders, the 'Not to Exceed' figure will reduce to align with the available budget. The Sustainable Communities for Learning Team would also look at other approaches to ensure that the project stays within budget.
- 2.6** Morgan Sindall will be going out to the market over the next 2 months for all cost packages under a competitive tender scenario. A further Cabinet report will be submitted to seek Cabinet approval to proceed with the scheme. This will provide further details on the costs and outlining the affordability of the scheme.

### **3. How do proposals evidence the Five Ways of Working and contribute to our Well-being Objectives?**

- 3.1** The Well-being of Future Generations Act 2015 (“the 2015 Act”) requires the Council to think about the long-term impact of their decisions, to work better with people, communities and each other and to prevent persistent problems such as poverty, health inequalities and climate change.
- 3.2** To make sure we are all working towards the same purpose, the 2015 Act puts in place seven well-being goals on the Council. The 2015 Act makes it clear the listed public bodies must work to achieve all of the goals.
- 3.3** These listed projects contribute to achieving the wellbeing goals by:
- Improving sustainability of school buildings through the creation of BREEAM Excellent accommodation.
  - Ensuring an efficient supply and demand of school places across the Vale of Glamorgan through effective forecasting of future demand.
  - Ensuring schools are designed to better meet the needs of pupils. The new and remodelled buildings would provide modern education facilities with improved external areas.
  - A key objective of the Sustainable Communities for Learning Programme is to Increase the level of community access and interaction through the use of the school’s educational facilities whilst meeting the needs of the school.
  - Supporting contractors to deliver a programme of community benefits that aims to reduce unemployment through increased apprenticeship opportunities.
  - The priorities outlined are reflective of the Council’s commitments in the Welsh in Education Strategic Plan (WESP) 2022 - 2032 and aims to ensure that demand for Welsh medium education can be met in the long-term, in line with the Welsh Government’s ambitious target of 1 million Welsh speakers by 2050 (Cymraeg 2050). The Council has made significant investments in Welsh medium education, which has seen an increase in bilingual learners and aims to continue this trend to ensure sufficient capacity over the long term.
- 3.4** The 2015 Act imposes a duty on all public bodies in Wales to carry out “sustainable development”, defined as being, "The process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the well-being goals." The action that a public body takes in carrying out sustainable development includes setting and publishing well-being objectives and taking all reasonable steps in exercising its functions to meet those objectives.
- 3.5** Band B has contributed to improving the economic and environmental wellbeing of Wales, with our additional aspiration to develop schools to become more

community focused and Net Zero Carbon efficient by working on our standard building designs and focusing on the fabric first approach to ensure the building works smarter to allow for the inclusion of carbon reduced measures. This has resulted in the first Net Zero Carbon in Operation School in Wales being delivered at South Point Primary School and all developments meeting BREEAM Excellent standard.

- 3.6** The 2015 Act sets out five ways of working needed for the Council to achieve the seven well-being goals. The Council has committed as part of the Corporate Plan 2020-25 to achieving a vision of 'Working together for a brighter future'. This plan is reflective of the Welsh Government's Well-being of Future Generations Act and is comprised of a number of Well-being objectives to deliver this vision.
- 3.7** These are specifically linked to education with a number of objectives contributing to the Sustainable Communities for Learning Programme. We have prioritised the need to raise standards of achievement as one of our well-being objectives. We are proud of the Vale of Glamorgan and our place in Wales and that the use of the Welsh language is growing in the Vale. We respect and value diversity within our communities and recognise the importance of promoting equality of opportunity. We also appreciate our unique heritage and culture and the importance for people of all ages to enjoy a range of activities and to have opportunities to be creative. We have therefore identified valuing culture and diversity as one of our eight well-being objectives.
- 3.8** Details of the objectives that the Sustainable Communities for Learning Programme supports and contributes to are outlined below:
- Wellbeing Outcome 1: Working with and for our communities. Ensuring our communities are involved in the development of the school and our schools are built for our communities.
  - Wellbeing Outcome 2: To support learning, employment and sustainable economic growth. Ensuring the projects are developed to support learning, employment and economic growth with the Vale area.
  - Wellbeing Outcome 3: To support people at home and in their community Ensuring our education facilities are built to provide access to community.
  - Wellbeing Outcome 4: To respect, enhance and enjoy our environment. Ensuring our education facilities are used with respect but developed to enhance enjoyment to pupils, staff, communities and all other stakeholders.

## **4. Climate Change and Nature Implications**

- 4.1** New build elements of the Sustainable Communities for Learning Rolling Programme will meet BREEAM excellent rating significantly reducing the running costs and carbon emissions arising from the building.
- 4.2** The Rolling Programme for the Sustainable Communities for Learning Programme would be required to meet net zero carbon (in operation).

- 4.3** New build and refurbishment elements will adhere to this directive as a minimum, the programme will develop the model to achieve a fully compliant net zero carbon building.
- 4.4** The Council’s objectives on climate change have been brought together into one Project Zero reserve that also help deliver the commitments in the Climate Change Challenge Plan.

## 5. Resources and Legal Considerations

### Financial

- 5.1** At this stage there is no financial commitment. This report seeks approval from Cabinet to proceed with the submission of the FBC. As indicated above, a further Cabinet report will be prepared and submitted over the next 2 months to outline the project costs and highlighting project affordability.
- 5.2** The capital funding allocated for St Richard Gwyn RC High School is £64.932m as outlined in the emergency powers 9th July 2024. This amount is included within the Council's Capital Rolling Programme.
- 5.3** The scheme will be funded jointly by the Council (15%) and Welsh Government (85%), through the Sustainable Communities for Learning Programme.
- 5.4** The proposed split on funding from Welsh Government will be £55.945m with the Council contributing the remaining £8.987m. The Council's contribution is included as part of the Council's capital programme. £5.017m of the grant is Net Zero Carbon grant which is 100% funded by Welsh Government. This would support additional decarbonisation measures to contribute to Welsh Government's Local Carbon Delivery Plan.
- 5.5** The funding for the scheme is set out in the table below:

		<b>Preferred Option (£000)</b>
<b>Welsh Government Funding</b>		55,945
<b>Council Funding</b>	<b>S106</b>	127
	<b>General Capital funding</b>	2,909
	<b>Capital Receipts</b>	656
	<b>Reserves and Revenue Contribution</b>	1,383
	<b>Prudential Borrowing</b>	3,912
	<b>Total</b>	8,987
<b>Total</b>		<b>64,932</b>

- 5.6 Overall, the borrowing of £3.912mm will result in a total revenue repayment cost of circa £162k per annum over the next 50 years.
- 5.7 Due to the increase in capacity there will be an increase in revenue funding required, this will be from within the school funding formula allocation.

### **Employment**

- 5.8 There are no direct employment implications as a result of the revised programme. Individual projects would be subject to Cabinet approval and employment implications would be considered on a project-by-project basis.

### **Legal (Including Equalities)**

- 5.9 Individual proposals would be subject to Equality Impact Assessment as part of the consultation exercise which is undertaken in line with the School Standards and Organisation (Wales) Act 2013 and the School Organisation Code (2018).
- 5.10 The programme would increase the opportunities for learning through the medium of Welsh and ensure accessibility of education through the medium of Welsh.
- 5.11 All new buildings would be fully accessible and compliant with the Equality Act 2010.
- 5.12 The Council must comply with the public sector equality duty (section 149) of the Equality Act 2010.

## **6. Background Papers**

- 6.1 None.