

## **Welsh Assembly Government Evidence**

### **Wales Audit Office Report on Capital Investment in Schools**

#### **National Assembly for Wales Public Accounts Committee**

#### **Purpose**

1. The Department for Children, Education, Lifelong Learning and Skills welcomes the Auditor General for Wales' report on Capital Investment in Schools. It provides a useful set of recommendations which supports the direction of travel that the new capital investment programme in schools is pursuing.
2. In line with advice from the Clerk of the Public Accounts Committee, this Evidence Paper provides a synopsis of the current position of the new capital investment programme 21<sup>st</sup> Century Schools.

#### **The 21<sup>st</sup> Century Schools Programme**

3. The 'One Wales' agreement includes a commitment to the creation of 21<sup>st</sup> Century Schools; that schools should be "fit for purpose"; and that a major capital investment programme to upgrade school buildings, exceeding the sums provided during the previous Assembly term, should be continued.
4. The Welsh Assembly Government, building on the lessons learnt from both its previous capital programmes (the New Deal for Schools and the School Buildings Improvement Grant) and capital investment programmes for schools in England, identified that modernisation and investment in the Welsh Schools estate faced three main barriers: short term planning (due, in part, to lack of certainty of funding); lack of clarity (due to there being no clear definition of what was expected, or what was possible); and insufficient capability and capacity (due to limited experience in designing, driving and delivery major capital investment projects/programmes).
5. The 21<sup>st</sup> Century Schools Programme is the Welsh Assembly Government's response to these deficiencies. It is a new delivery framework for capital investment and will enable the creation of a new generation of schools, facilitate school re-organisation, educational transformation and full implementation of the 21<sup>st</sup> Century curriculum. The programme is being co-produced through a collaboration model

between all the main stakeholders. The Programme Board consists of representatives from the Welsh Local Government Association, Local Government (represented by the Society of Local Authority of Chief Executives and Senior Managers and the Association of Directors of Education in Wales), CollegesWales, Diocesan Education Authorities and officials from the Department for Children, Education, Lifelong Learning and Skills.

6. The programme was officially launched in March 2009 and its overarching aims are:

- Learning environments for children and young people in Wales aged from 3 to 19 that will support school improvement and better educational outcomes;
- A sustainable education system through better use of resources to improve the efficiency and cost-effectiveness of the education estate, and which enhances local public service provision; and
- A 21<sup>st</sup> Century Schools Standard for all schools in Wales which reduces recurrent costs, energy consumption and carbon emissions.

### **The Planning and Delivery of the Programme**

7. In contrast to the former New Deal and School Building Improvement Grants, the 21<sup>st</sup> Century Schools Capital Programme will be a long-term programme of investment. The current planning assumption is that this programme will run for at least 10 years.

8. Local authorities are currently preparing to submit Strategic Outline Programmes in December 2010 outlining their proposed investment over the next 10 years. Following submission and assessment of the Strategic Outline Programmes a national programme will be created.

9. The Strategic Outline Programmes will identify the initiatives and steps that can be taken in each authority to meet the three key aims of the national programme. In developing their Strategic Outline Programmes, Local Authorities will be setting their wider strategies needed to create school improvement and successful outcomes for children and young people. For example, local authorities will establish how their investment proposals relate to the School Effectiveness Framework, demonstrate how they propose to transform approaches to teaching and learning, and improve the efficiency of the estate through school re-organisation. The Strategic Outline Programmes will also be a key initial driver to school reorganisation as it will require Local Authorities to set out their school

re-organisation strategies in readiness for implementation of the programme.

10. The pace of delivery of the programme will be set by the capital investment available to both the Welsh Assembly Government and Local Authorities over this period.

11. To assist authorities the programme will provide appropriate capacity and capability support where needed on a flexible and targeted basis. Support at this initial stage has focused on capital investment planning with specialist support provided to all authorities in the development of their Strategic Outline Programmes. During the delivery phase of the programme, relevant technical and professional expertise that is required to implement a large-scale investment programme will also be provided in areas such as strategic planning, property, education, financial, legal, change management and ICT.

12. A high-level school estate survey has been undertaken, in co-operation with local authorities, schools and diocesan authorities, to provide a comprehensive and consistent set of asset management data covering condition, suitability and sufficiency. This information will improve capital investment planning both at a national and local authority level. More specifically, it will assist authorities in developing an informed capital maintenance programme over the lifetime of their assets.

13. We are establishing a post-occupancy evaluation framework and methodology. This is critical as it will provide a true indication of the overall success of projects supported by the programme and will be used to inform future capital investment planning. The evaluation framework will incorporate and measure the performance of the building and grounds, and the impact that these have upon functionality, education, learning and social factors. This will ensure that we evaluate the impact of capital investment over the lifetime of the programme at both a national and a local level.

### **The Scope of the Programme and Definition of a 21<sup>st</sup> Century School Programme**

14. Prior to the development of this new programme, Local Authorities worked to a “fit for purpose” standard; however, this lacked firm definition. From the School Buildings Improvement Grant it became apparent that authorities’ interpretations of the standard were not uniform and this was reflected in the varied ambition of their capital plans.

15. A high-level definition has been agreed by the 21<sup>st</sup> Century Schools Programme Board and this is at **Annex 1**. The scope of the programme is ambitious and in contrast to the previous SBIG programme it is more than a bricks and mortar programme of investment. For example, a key theme within the 21<sup>st</sup> Century Schools Programme will be investment in technology. The Welsh Assembly Government is developing proposals on how ICT investment, as a significant part of the programme, can enable delivery of technology-intensive learning environments; both as part of the physical build programme and also in schools where buildings are sound and do not require significant restructuring to address surplus capacity.

16. The high-level definition will be underpinned with an appropriate suite of tools, guidance and strategies which will provide authorities with clear directions to enable them to provide education assets to a 21<sup>st</sup> Century Schools' standard. In developing this standard the Welsh Assembly Government will draw upon best practice nationally and internationally.

17. A number of work streams are currently active in the development of the standard in the following areas: space standards, interpretation of statutory requirements, environmental standards, design of low carbon and sustainable schools, learning outside the classroom, ICT, procurement routes, project management, involvement of children and young people in design, other issues which might include catering and eating arrangements, and a standard methodology for predicting whole life costing.

### **Funding of the 21<sup>st</sup> Century Schools Programme**

18. In order to provide the investment required to deliver significant building and refurbishment works, and to realise school reorganisations across Wales, the programme required a step change in the way in which capital was allocated. The 21<sup>st</sup> Century Schools is a forward long-term programme which will prioritise and deploy capital investment in a series of funding bands over the next 10 years.

19. Work has already begun as a period of transitional funding in operation since 2009-10. The aim of this transitional funding has been to implement progressive changes and target capital resources towards projects that are: ready; require resources to enable delivery of more significant larger-scale changes/investments; and prepare the system for transition to an all-Wales programme of investment by raising the scale and standards required. These transitional arrangements have been implemented in three separate tranches of allocations. The transitional

programme of investment, which commenced in 2009-10, is currently providing up to £434.4 million of investment and will be deployed up until 2016-17. The transitional funding will dovetail into the 21<sup>st</sup> Century Schools Programme of investment when it is agreed.

20. Implementation of the transitional funding has also enabled the Welsh Assembly Government to deploy its capital to support delivery of the Transformation Agenda by aligning its capital investment for school and Further Education Institutions and take into account 14-19 provision in a locality. The programme supports a more strategic approach to capital investment in schools by moving away from a funding process largely based on annual formulaic allocations to an allocation process based on forward investment with capital grants prioritised and deployed in a sequence of funding bands.

21. For example, the Learning Works project in Ebbw Vale, Blaenau Gwent is a partnership approach between the Welsh Assembly Government, the Local Authority, Coleg Gwent and the University of Wales, Newport. As a single capital funding initiative it brings together all sectors of education onto one site; from school provision for 3-16 year olds, (including Special Educational Needs Provision), through to a post-16 learning zone.

## **Conclusion**

22. In conclusion, the 21<sup>st</sup> Century Schools Programme is taking a more strategic approach by strengthening its capital investment planning both at national and local level. The programme brings an end to the piecemeal approach to capital investment in schools and moves to a long-term programme of investment.

**Department for Children, Education,  
Lifelong Learning and Skills**

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### **21<sup>st</sup> Century Schools Programme Board's High Level Definition**

- Schools configured to respond to changing approaches to teaching and learning which are identified in and being driven by the School Effectiveness Framework, strengthened school leadership and the involvement of the school community, will reflect local needs and support young people to achieve their potential.
- Schools of the right size in the right places.
- Inspirational environments appropriate for new educational developments and technologies, efficient yet adaptable enough to cater for the changing needs of the future up to 2030 and beyond.
- World- class, sustainable environments for teachers to teach and learners to learn, supported fully by ICT, that drive improvements in educational standards, and address issues of climate change.
- Inclusivity, providing appropriate provision for the individual learning needs of all learners, spaces in which those with special educational needs and disabilities feel that their needs are respected, and which enable all members of the school workforce to work, rest and socialise.
- An outstanding resource for the whole community which can offer a range of co-located facilities such as childcare, health and social services, and adult training.
- An opportunity for schools and other services to work collaboratively to enhance teaching and learning and to link more effectively with early years and with the 14-19 transformation agenda.