



REPORT TO THE CABINET

Date of meeting:	15 December 2020
Cabinet Member:	Councillor Cemlyn Rees Williams
Contact Officer:	Gwern ap Rhisiart - Dwyfor Meirionnydd Area Education Officer
Title of Item:	New school in Cricieth - increasing the project's capital budget

1. DECISION SOUGHT:

The Cabinet's approval is sought to:

- 1.1 Move resources within the capital programme and increase the budget for the project to construct a New School in Cricieth in order to address the additional costs that have been identified when planning the school on the new favoured site in Cricieth, and for this to be realised by transferring £380,000 from the Post-16 Project, which is a part of the 21st Century Schools Programme (Band B) in order to cover the additional costs identified when planning the school on a new site in Cricieth.
- 1.2 To underwrite the capital sum of £220,000 in order to secure an early years and 30 hour child care provision as part of the New School in Cricieth should no other financial source be available from Welsh Government that would coincide with the project's timetable.

2. BACKGROUND

- 2.1 When submitting an '*Outline Strategic Application*' for funding from the 21st Century Schools Programme (Band B) to Welsh Government in 2017, a budget of £4.97m was earmarked for building a new school in Cricieth as part of a £56.14m capital programme, with a contribution of £37.46m from Welsh Government and £18.68m in match funding from Gwynedd Council.
- 2.2 During Local Review Panel meetings in Cricieth, a number of potential sites for locating the new school were discussed, including the current site and other locations identified jointly with the Governing Body. After appraising the sites, the Panel agreed on the A497 Site as the favoured site.
- 2.3 At its meeting on 13 October 2020, the Cabinet gave approval to conducting a statutory consultation, in accordance with the requirements of section 48 of the School Standards and Organisation (Wales) Act 2013, on the proposal to increase the capacity of Ysgol Trefarthyr to 150 and to relocate the school to an alternative site, referred to as the A497 site, on 1 September 2023, and to report back to the Cabinet after completing the consultation.
- 2.4 In accordance with the Cabinet's approval, a period of statutory consultation is being undertaken on the proposal at present (6 November - 18 December 2020). This report will not prejudice the organisation process and specifically the consultation.

Contact:
01286 679868
01286 679490
cabinet@gwynedd.llyw.cymru

3. THE REASON FOR THE NEED FOR A DECISION:

3.1 Following the completion of discussions on land purchase, adaptations to the road and planning the school on the site, additional costs have been identified which means that the project's budget will need to be increased if this additional work is to be realised. The additional costs associated with the site can be seen in the table below.

Reason for the increase in the budget	Additional funding required	Source	Welsh Government	Gwynedd Council
Purchase of additional land	£80,000	21st Century Schools Programme	£52,000	£28,000
Adapting the road to create access to the site and pedestrian safety measures	£100,000	21st Century Schools Programme	£65,000	£35,000
Creation of a green energy provision in order to make the school low carbon	£100,000	21st Century Schools Programme	£65,000	£35,000
Electricity sub-station and moving of electrical cables costs	£100,000	21st Century Schools Programme	£65,000	£35,000
Total	£380,000		£247,000	£133,000


3.2 In order to enable us to meet the additional costs in the table above, we will need to transfer £380,000 from the Post-16 project within the 21st Century Schools Programme to the New School Project in Cricieth. The Council will not incur any additional cost as the total budget for the programme as a whole, and thus the Council's contribution, will remain the same.

3.3 Early Years

The Welsh Government has a separate capital programme to the 21st Century Schools Programme for developing a childcare and early years provision, namely the Child Care Offer Capital Grant Programme. This capital funding is 100% funding, which means that there is no requirement for match funding from the Council.

3.4 Unfortunately, an application for capital funding to Welsh Government to secure a childcare and early years provision in Cricieth was not successful, and currently, the capital funding approved for the childcare provision in Gwynedd has been fully committed to other schemes across the county.

Contact:
01286 679868
01286 679490
cabinet@gwynedd.llyw.cymru

- 
- 3.5 The Welsh Government has expressed its support to us including an early years resource in our plans in Cricieth and its support in principle to funding the development, should a suitable funding source to cover the cost materialise in the future.
- 3.6 We will continue to press the Government for grant aid to include early years provision in the new school but if we waited to see if the grant was available there would be a considerable delay to the scheme. It would be beneficial to continue on the basis that we will include the early years provision but if we aren't able to ensure the grant aid there will be no resource to pay for that provision.
- 3.7 Therefore, in order to realise the vision to ensure a childcare and early years provision as part of the development of the new school in Cricieth, the Council is requested to underwrite the sum of £220,000 towards securing a child care and early years provision as part of the new school in Cricieth should no funding source be available from Welsh Government that would coincide with the project's timetable.

4. NEXT STEPS AND TIMETABLE

- 4.1 Subject to the decision of the Cabinet, we will prepare a business case in line with the *Treasury's Five Case* guidance, to be submitted to Welsh Government by the end of December 2020.
- 4.2 The business case will need to include all information about the proposed costs of the project, and the financial source to cover them to ensure approval to release the relevant funding from the 21st Century Schools Programme to develop the new school in Cricieth.
- 4.3 The Welsh Government will consider the business case at a specific meeting in January 2021.

Statutory Officers' comments:

Statutory Monitoring Officer

As noted in the report what is proposed does not prejudice the organisation process but represents appropriate preparatory steps to move the proposal forward if it is approved.

Statutory Finance Officer

There are a number of risks associated with capital projects like this, and in this case the Council will need to increase its contribution in order to ensure a new school in Cricieth, along with an early years and childcare provision.

I am happy to transfer £380,000 from the Post-16 Project to address the additional costs, and also agree that it is logical for the Council to underwrite the sum of £220,000 in order to move forward without delay with the capital project in Cricieth.

Whilst underwriting the sum of £220,000 the Cabinet should ask the relevant officers to continue to try and influence the Welsh Government to increase the grant for 2021/22 in order to fund the early years and childcare provision in the usual way.

Contact:
01286 679868
01286 679490
cabinet@gwynedd.llyw.cymru