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# School Modernisation

## **Bridgend County Borough Council**

Bridgend County Borough Council (the Council) has a realistic and proactive approach to school modernisation and has developed a phased programme which is forecast to cost £228 million. The Council still needs to find £175 million of this and also needs to ensure that the organisational and project management arrangements are appropriate for a programme of this scale.

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## Summary

1. The Council has three nursery schools, 10 infants schools, nine junior schools; 39 primary schools, and 10 secondary schools.
2. The Council has produced a School's Asset Management Plan (SAMP), which brings together essential information about the current state of the schools and it has developed a three phased School's Modernisation Programme. This programme is one of the Council's nine strategic programmes.
3. The Council's risk assessment indicates that if it does not progress the School's Modernisation Programme the schools in Bridgend will become or continue to be "unfit for purpose." The result will be reduced attainment levels by children, additional learning needs, health and safety issues, inefficient use of resources and poor inspection results.
4. In view of the potential impact of the Council not delivering this programme the Regulatory Plan includes for a review of the Council's approach to school modernisation.
5. In discussion with the Council we agreed that this review would focus on whether the Council's approach to school modernisation is likely to be successful.
6. We have now carried out this review and conclude that Bridgend has a realistic and proactive approach to school modernisation and has developed a phased programme which is forecast to cost £228 million. The Council still needs to find £175 million of this and also needs to ensure that the organisational and project management arrangements are appropriate for a programme of this scale.

## Recommendations

7. Our recommendations are as follows:

<b>Clarity of outcomes</b>	
In order to give greater clarity to the purpose of the School's Modernisation Programme and provide a basis for assessing the impact of the ongoing programme, the Council should within the next six months:	
R1	Prepare and agree a Programme Brief which makes clear the existing and desired levels of performance for the success factors that it considers important.
<b>Project management</b>	
For the School's Modernisation Programme to be project managed in an effective way the Council should, as soon as possible, but not later than six months:	
R2	Fully address the organisational, capacity and systems issues raised in the Council's own health check and in this report.

### **The Council is introducing changes in its priorities, organisation and systems that will contribute to the delivery of its School's Modernisation Programme**

8. The current Council was elected in May 2008 and the new administration's executive is the Cabinet, which operates collectively. There is a Cabinet Member for Children and Young People services who has responsibility for the School's Modernisation Programme. The Cabinet Member was formerly the Chair of Scrutiny during the previous administration and was very much involved in the 2006 Task and Finish Group that looked at 'falling school rolls.' This previous role has helped maintain continuity.
9. The Council has made the School's Modernisation Programme one of its nine strategic programmes and has confirmed that extending community use in schools is a Council priority. It has also agreed that any capital receipt received as part of school rationalisation will be used for the School's Modernisation Programme.
10. The Corporate Plan, 2008-2011, was adopted by the Council in September 2008 and one of its priorities is 'Creating Learning Communities' which the Plan indicates means creating schools which are fit for purpose and valued by their communities. A list of detail proposals relating to school modernisation is included in the draft plan.
11. Over the last three years or so there have been significant changes in the organisational structure of the Council's services and the occupancy of senior management positions. There is a new Chief Executive, and there are new senior managers in the service directorate. They are having a positive impact on the Council's approach to School Modernisation, both at a corporate level and at a service level.
12. At the corporate level a number of changes have been introduced. For example, strategic programmes have been identified and agreed. The School's Modernisation Programme is one of these, which means that this programme is monitored and evaluated by the Corporate Programme Management Board. This is attended by the Chief Executive and Directors; it meets each month and receives a bi-monthly report that briefly outlines:
  - a summary of the overall position including a status level;
  - significant progress since the last report;
  - significant progress for the coming period;
  - issues for decision, action or information;
  - risks for decision, action or information; and
  - strategic and political milestones for all the projects within the programme.
13. This approach provides an appropriate mechanism to monitor progress and take corrective action should this be necessary.

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14. A Centre for Excellence has been established and this is reviewing the Council's approach to project management and providing corporate guidance. The Centre for Excellence has carried out a 'health check' on the project management arrangements for delivering the School's Modernisation Programme and reported on this in February 2008. This indicated that people demonstrated optimism, enthusiasm and confidence in the leadership and management of the programme but it made a number of recommendations to improve the effectiveness of the arrangements. These are referred to later in this report.
  15. In July 2008 an Asset Management and Capital Investment Member/Officer Working Group was established to co-ordinate more efficiently the management of the Council's physical assets. The School's Modernisation Programme is a key agenda item of this Group.
  16. A corporate management development programme is being implemented to improve the effectiveness of managers, and managers involved in the school modernisation programme will benefit from this as it is rolled out.
  17. At a service level, the School's Modernisation Programme is the responsibility of the Children's Service's Directorate. Changes in the structure of this Directorate are ongoing but the responsible officers are making progress in developing the systems necessary to deal systematically and effectively with school modernisation.
  18. The SAMP, was reported to and noted by the Cabinet in March 2008. This brings together essential information about the current state of the schools in Bridgend. As a consequence of the systems that have been developed the Council knows:
    - where there is surplus and under capacity in schools;
    - the extent to which schools are used for community activities;
    - the level of pupil performance and curriculum issues that might influence school provision; and
    - in overall terms, the extent and cost of the work needing to be done to school buildings to bring them to an acceptable standard.
  19. The Children's Service's Directorate has introduced its own management arrangements to ensure the effective delivery of the School's Modernisation Programme. These include:
    - a School's Modernisation Programme Board with officers attending from other directorates to review progress and address issues arising;
    - risk assessments and reporting the issues arising to the Programme Management Board;
    - a monthly meeting with a senior accountant to review expenditure; and
    - a monthly meeting with the architect to review progress on the building programme.

## There is now a planned and costed approach to school modernisation which is building confidence and enabling the Council to address difficult issues in a structured way

20. Within Bridgend there are:
- three nursery schools;
  - 10 infants schools;
  - nine junior schools;
  - 30 primary schools;
  - four Welsh-medium primary schools;
  - four voluntary aided primary schools;
  - one voluntary controlled primary school;
  - eight secondary schools (nine with the opening of the Welsh-medium secondary school in September 2008); and
  - one voluntary aided secondary school.
21. The Council has chosen to take a phased approach to school modernisation. In September 2006 the Council approved a report which set the strategy, principles, policy and framework for the modernisation of schools within Bridgend. It also agreed that any resources released in this process should be reinvested in schools. This followed consultation on the Assembly Government's 'Learning Communities: Schools of the Future', and a report from the Scrutiny Task and Finish Group into falling school roles.
22. A subsequent report to Cabinet on 12 December 2006 presented a three phase programme of projects arising from this strategy and policy framework.
23. The Council has decided that all-through primary provision is the best approach and proposals to amalgamate separate nursery, infants and junior schools are included for in the earlier phases of the programme.
24. A detailed breakdown on the projects in the different phases and the estimated cost of these is contained in Appendix 1. A summary of the estimated cost of the School's Modernisation Programme is summarised in Exhibit 1.

**Exhibit 1: Summary of the cost of the School's Modernisation Programme**

Phase	Expenditure £ms					
	Total	Previous years	2008/09	2009/10	2010/11	2011/20
Phase 0	40.8	13.0	19.5	7.0	0.9	0.4
Phase 1	15.6		4.6	2.6		8.4
Phase 2	44.1			0.5	6.7	36.9
Phase 3	127.2		0.6	1.7	4.7	120.2
Total	227.7	13.0	24.7	11.8	12.3	165.9

Source: Bridgend County Borough Council

- 25. Further details of the projects are included in the SAMP.
- 26. As each project in the programme is worked up in more detail it is reported to Cabinet, following consultation with the key stakeholders involved.
- 27. We received positive feedback from the external stakeholders we spoke to about these consultation arrangements and about the impact that the successful completion of projects have had on those involved in subsequent projects.

**The Council is proactive in seeking funds to deliver its school modernisation programme and has committed £53 million but still needs £175 million, including £64 million for which no potential source has been identified**

- 28. The sources for funding the School’s Modernisation Programme are shown in Exhibit 2.

**Exhibit 2: Sources of funding in £,000**

Source of funding	Approved	Possible future funding (subject to agreement)
Council’s capital funding	8,515	49,578
Additional capital funding using Prudential Borrowing	7,000	
Ring fenced capital receipts -assumed		6,815
Private Finance Initiative	20,400	
Annual Assembly capital grant (SBIG)	2,786	5,135
Strategic Assembly capital grant (SBIG)	9,000	49,250
Funding from legal agreements with developers	4,692	180
Bridgend minor works budget	489	
No source identified		63,850
<b>TOTAL PROGRAMME</b>	<b>52,882</b>	<b>174,808</b>

*Source: Bridgend County Borough Council*

- 29. Exhibit 2 illustrates that Council has been prepared to consider a range of funding sources for its School’s Modernisation Programme.
- 30. The Council has also increased the proportion of its core capital funding that is spent on Education projects. This is illustrated in Exhibit 3. However, the size of the increase is more marked in 2008-2009 and 2009-2010 than it would have been because some of the allocation from previous years was transferred due to delays in confirming a compulsory purchase of a site needed for a school building.



31. The opportunity has been taken in 2008-2009 and 2009-2010 to increase capital resources by using Prudential borrowing. The Council could borrow more in this way but its capacity to do so is based on its level of reserves. As some of these reserves are needed for future commitments, such as job evaluation, the Council is reluctant to do this at the present time.
32. Possible future funding is clearly subject to formal approvals and receipts from future land sales and income from developers may be affected by the current economic climate.

**Exhibit 3: Proportion of the Council's core capital funding that is spent on education projects**

Year	Expenditure in £ms					
	Spent			Allocated		
	Total	Educ	%	Total	Educ	%
2004/05	11.6	1.6	14%			
2005/06	10.7	0.9	8%			
2006/07	10.0	0.6	6%			
2007/08	11.0	0.8	7%			
2008/09				14.1	1.7	12%
2009/10				13.2	4.2	32%
2010/11				9.5	2.0	21%
2011/12				6.7	1.0	15%

Source: Bridgend County Borough Council

33. Council officers are investigating other sources of funding such as private public partnerships and JESSICA (the Joint European Support for Sustainable Investment in City Centres).
34. Notwithstanding these efforts to fund the School's Modernisation Programme funding of £175 million is still needed. This is going to be an issue for the Council as almost half of the Council's core funding is spoken for in any one year on mandatory disabled facilities grants, backlog on highways and other infrastructure, and the need to match fund regeneration projects. The amount available therefore to fund new projects from the Council's core funding is limited to one major project every two or three years with the priority currently being given to a replacement day centre for vulnerable adults.
35. It is the Council's view that unless the Assembly Government identifies major increases in resources for school modernisation across Wales, similar to that being provided in England, it is inevitable that its ambitious School's Modernisation Programme will not be achieved within a reasonable timescale.

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## **The identified improvements to the organisation and project management arrangements have not yet been fully implemented**

### **There are senior management and project management capacity issues in the Children's Directorate**

36. It was mentioned earlier that the Council's Centre for Excellence carried out a health check on the arrangements for delivering the School's Modernisation Programme. The report in February 2008 indicated that:
- none of the people involved were working full time on school modernisation; additional capacity is needed to deliver the programme and the Council needs to explore innovative ways to engage with the private sector; and
  - there are capability issues in relation to project management skills and training needs to be provided.
37. The report made a number of recommendations. One was that the Children's Directorate structure should address the fact that the two most senior managers involved with the School's Modernisation Programme are both unable to focus sufficient time on this because of other responsibilities. This matter has not yet been addressed. For a programme of this scale there should be one manager whose sole responsibility is to focus on managing the delivery of the programme.
38. To support this manager the Directorate has one project manager and approval has been granted for two more. Although an internal appointment has recently been made for one post the other is still vacant and the Council has had difficulty in filling this post with a suitably experienced person.
39. The Council is clearly finding it difficult to find suitably qualified and experienced people and there are also issues about training and developing the people who are involved in the programme. Although this is recognised and a project management tool kit and training programmes are being introduced these capacity issues are likely to have an impact on the delivery of the programme.

### **The Council is not specific enough in the way it describes the long term outcomes for the School's Modernisation Programme**

40. Another recommendation of the Centre for Excellence report was that a Programme Brief should be prepared and agreed by the Programme Management Board. Although project briefs are now being prepared and agreed for individual projects within the programme an overall Programme Brief for the School's Modernisation Programme has not been prepared and agreed. One of the purposes of this Brief is to give clarity to what the programme is intended to deliver.
41. The Assembly has indicated that the programme should ensure that:
- all school buildings are fit for purpose on the basis of target dates agreed with each local authority;
  - primary class sizes are maintained at a maximum size of 30 pupils;

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- by 2010, 80% of pupils achieve the core subject indicator through teacher assessment by the age of 11;
  - by 2010, 65% of pupils achieve the core subject indicator through teacher assessment by the age of 14; and
  - there is at least 93% attendance in secondary schools by 2010.
42. A report to the Council in September 2006 indicated that a successful programme should deliver:
- high standards of educational achievement;
  - equality of opportunity so that all pupils can access learning opportunities regardless of which school they attend;
  - schools that are inclusive and cater for the needs of all its pupils;
  - community focused schools, where the school actively engages with its local community; and
  - value for money.
43. Success is also seen as obtaining widespread acceptance of the need for school modernisation and putting in place an agreed approach to deal with this. Although this has been achieved the Council still needs to define measurable outcomes for the success factors that it considers important. These will provide a basis to assess the impact of the ongoing programme and assist in identifying where adjustments need to be made to the programme.

### **New systems and procedures have not been fully implemented**

44. The Council's project management toolkit has been updated and will be included in the training of Project Managers but it is not yet fully operational and embedded in the way those involved in project management operate. In this respect the officers involved in delivering the School's Modernisation Programme are in the vanguard of this new way of working.
45. Some progress has been made as the Children's Directorate has a School's Modernisation Programme Board with officers attending from other directorates to review progress and address issues arising. Project Team meetings for individual projects are also held as and when necessary. Programme Board and Project Team meetings are minuted and the responsibility for action is recorded in these minutes.
46. The Centre for Excellence has indicated that the role of project manager should be made clearer and should operate more consistently. Until recently projects have been seen as building projects and project plans have essentially been the architects' spreadsheet of the key stages of the design and build programme. It is now recognised that a project is wider than the building element and the client/architect role is changing to a project manager/multi-disciplinary project team approach. Although this approach is in the early stages of development it is starting to give clearer accountability for the project as a whole.
47. Project plans are developed for each of the projects in the programme. However, there is currently no consistency in the format of these plans. Also the plans do not always make it clear who is responsible for all the discrete tasks involved.

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48. A more comprehensive spreadsheet plan outlining the work associated with the Gateway to the Valleys Project has been produced by the Children's Directorate. This is currently used more as a checklist by the project officer rather than as a project plan agreed by all members of the project team. There is therefore a need to develop a master template for a project plan which can be 'owned' by the whole project team. This will need to:
- lists all the key tasks;
  - identify responsible officers;
  - include target start and completion dates; and
  - provide the opportunity to compare programme and actual dates visually.
49. The template could then be tailored to each project and updated in the light of experience. This would ensure greater consistency and capture experience for the benefit of future projects.
50. Although there are three phases to the School's Modernisation Programme the projects overlap between the phases and this means that 19 projects should be in progress by the end of 2008. For this timetable to be maintained the project management and capacity issues referred to in this section will need to be properly addressed.

Appendix 1

**Details of the School's Modernisation Programme**

Schools Modernisation Programme - Financial Profile to 2020			
<u>Key</u>	Approved	Possible Future Funding	Source not Yet Identified
	£,000	£,000	£,000
Council's core capital funding	8,515	49,578	
Additional capital funding using Prudential Borrowing	7,000		
Ring fenced capital receipts -assumed		6,815	
Private Finance Initiative	20,400		
Annual Assembly capital grant (SBIG)	2,786	5,135	
Strategic Assembly capital grant (SBIG)	9,000	49,250	
Funding from legal agreements with developers	4,692	180	
Bridgend minor works budget	489		
No source identified			
<b>TOTAL PROGRAMME</b>	<b>52,882</b>	<b>110,958</b>	<b>63,850</b>

Scheme	Total Cost	2004/05 £,000	2005/06 £,000	2006/07 £,000	2007/08 £,000	2008/09 £,000	2009/10 £,000	2010/11 £,000	2011/12 £,000	2012/13 £,000	2013/20 £,000
<b>Phase 0 - Projects Agreed Prior to 2007</b>											
Maes yr Haul Primary Extension	2,099	120	12		16						
		9	74	1,253	582	33					
Caerau Primary School	7,938		64		1	1,353					
			287	99	294	4,485	1,030				
					189	136					
Pen-y-fai Primary School	5,863					136	2,873				
			357	305	131		2,000				
							61				
Maesteg Comprehensive - PFI	20,400				8,700	11,700					
YGG Llangwynwyd (Welsh School)	2,402			64	44	232	600				
				152	210	300					
								400	400		
<b>Major Maintenance and Foundation Phase Work</b>											
BCBC Minor Works	489						489				
SBIG - subject to approval	1,000						500	500			
SBIG - approved	617					617					
<b>Total Phase 0</b>	<b>40,808</b>	<b>129</b>	<b>794</b>	<b>1,873</b>	<b>10,167</b>	<b>19,481</b>	<b>7,064</b>	<b>900</b>	<b>400</b>	<b>-</b>	<b>-</b>

Scheme	Total Cost	2004/05 £,000	2005/06 £,000	2006/07 £,000	2007/08 £,000	2008/09 £,000	2009/10 £,000	2010/11 £,000	2011/12 £,000	2012/13 £,000	2013/20 £,000
<b>Phase 1 - Primary School Amalgamations</b>											
Brackla Primary	2,800					1,800					
						601	399				
Oldcastle Primary	2,467					1,700					
						410					
						107	250				
Litchard Primary /Tremains Primary	2,000						1,500				
							500				
Pencoed Primary	8,350								500	315	
									2,000	3,500	2,035
<b>Total Phase 1</b>	<b>15,617</b>	-	-	-	-	<b>4,618</b>	<b>2,649</b>	-	<b>2,500</b>	<b>3,815</b>	<b>2,035</b>
<b>Phase 2 - Gateway to Valleys, SEN &amp; Cynffig Area</b>											
Replacement School - Archbishop McGrath (BCBC only)	3,750							2,000	1,000		
								750			
Merge Ynysawdre and Ogmore Comps on Ynysawdre site	15,000						500	4,000	4,500	3,000	3,000
Cynffig Area	20,370										1,500
											5,870
											13,000
Ysgol Bryn Castell	5,000										5,000
<b>Total Phase 2</b>	<b>44,120</b>	-	-	-	-	-	<b>500</b>	<b>6,750</b>	<b>5,500</b>	<b>3,000</b>	<b>28,370</b>
<b>Phase 3 - 2008-15</b>											
Bryncethin Primary - extension and adaptation	3,095					145	150	300	2,500		
Bryntirion Comprehensive – Refurb	4,400					200	200				
						297	203				3,000
							500				
Parc Derwen - New Primary school	7,750						570	3,680	1,000		2,500
Tondu Primary Provision	2,300								650	270	
								700	500	180	
Garw Valley Primary Provision	22,000										17,000
											5,000

Scheme	Total Cost	2004/05 £,000	2005/06 £,000	2006/07 £,000	2007/08 £,000	2008/09 £,000	2009/10 £,000	2010/11 £,000	2011/12 £,000	2012/13 £,000	2013/20 £,000
Phase 3 - 2015-20											
Bridgend East Primary	4,000										4,000
Bridgend West Primary	15,000										7,500
											1,500
											6,000
Bridgend West Secondary	5,000										5,000
Llynfi Valley Primary Provision	18,300										9,250
											9,050
Ogmore Valley Primary Provision	4,000										4,000
Pencoed Primary Provision	7,500										7,500
Pencoed Secondary	7,500										4,000
											3,500
Porthcawl Primary Provision	11,800										11,800
Porthcawl Secondary	2,500										2,500
Valleys Gateway Primary	10,500										10,500
County Borough - Special School	1,500										1,500
<b>Total Phase 3</b>	<b>127,145</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>642</b>	<b>1,623</b>	<b>4,680</b>	<b>4,650</b>	<b>450</b>	<b>115,100</b>
<b>Total Current Programme</b>	<b>227,690</b>	<b>129</b>	<b>794</b>	<b>1,873</b>	<b>10,167</b>	<b>24,741</b>	<b>11,836</b>	<b>12,330</b>	<b>13,050</b>	<b>7,265</b>	<b>145,505</b>



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