

**RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL**

**MUNICIPAL YEAR 2015-16**

**COUNCIL**

**27<sup>th</sup> JANUARY  
2016**

**Agenda Item 8**

**FINANCING OF THE 21<sup>ST</sup> CENTURY  
SCHOOLS PROGRAMME USING  
PRUDENTIAL BORROWING**

**REPORT OF THE GROUP DIRECTOR CORPORATE AND FRONTLINE  
SERVICES**

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**1. PURPOSE OF THE REPORT**

1.1 The purpose of this report is to seek Council's approval:

- for a capital investment of £79.752m at Porth, Tonypandy, Tonyrefail and Treorchy secondary school sites together with the further development of Welsh medium primary provision at YGG Llwynceilyn and YGG Tonyrefail; and
- to finance the new and refurbished school buildings through the Welsh Government's 21<sup>st</sup> Century Schools Programme (£39.876m) and from Council borrowing (£39.876m) using its powers under the Prudential Code.

**2. RECOMMENDATION**

It is recommended that Members:

- 2.1 Agree to the inclusion in the capital programme of the major capital works at Porth, Tonypandy, Tonyrefail and Treorchy secondary school sites together with the further development of Welsh medium primary provision at YGG Llwynceilyn and YGG Tonyrefail at a combined total cost of £79.752m.
- 2.2 Agree that the net cost to the Council of £39.876m is funded through borrowing, using the Council's powers under the Prudential Code, with the annual revenue cost of £1.971m being met from savings from this and other recent school closures and amalgamations.

### **3. BACKGROUND**

3.1 On the 24<sup>th</sup> September 2015 Cabinet agreed to implement the school modernisation proposals outlined below:

- Create two sixth form centres, based at Treorchy and Tonyrefail;
- Create two new 3-16 schools, in Porth and Tonypandy, and one 3-19 school in Tonyrefail;
- Increase the availability of Welsh medium primary provision in Porth and Tonyrefail; and
- Improve the learning environment of pupils with additional learning needs.

3.2 It was agreed to:

- Close Porth County Community School, Llwyncelyn Infants School, Porth Infants School, and Porth Junior School and create a new 3-16 middle school on the site of the current Porth County Community School;
- Increase the capacity of YGG Llwyncelyn by approximately 100 places, utilising the site of the existing Llwyncelyn Infants School;
- Close Tonypandy Community College, Penygraig Infants School, Penygraig Junior School, Tonypandy Primary School and Ysgol Yr Eos Primary School and create a new 3-16 middle school on the site of the current Tonypandy Community College. Relocate the specialist primary pupil referral provision at the Tai Centre, Penygraig to the site of the existing Ysgol Yr Eos Primary School;
- Close Tonyrefail Comprehensive School and Tonyrefail Primary School and create a new 3-19 middle school on the site of the existing Tonyrefail Comprehensive School. Relocate Ysgol Gynradd Gymraeg Tonyrefail to the site of the current Tonyrefail Primary School;
- Transfer the Learning Support Class at Ysgol Yr Eos and the three Learning Support Classes at Porth County Community School to the new 3-16 school at Porth, to create specialist provision for the four key stages; and
- Transfer the Learning Support Class at Tonyrefail Comprehensive School to the new 3-19 school for Tonyrefail.

3.3 In addition, on the 4<sup>th</sup> December 2015, the Council received confirmation that the Welsh Government Minister for Education and Skills had, under section 50 of the School Standards and Organisation (Wales) Act 2013, agreed to approve the Council's proposal to end sixth form provision at Ferndale Community School. Therefore the Council will offer additional sixth form provision at Treorchy Comprehensive School which will receive a new science block and remodeled classrooms.

### **4. FINANCIAL DETAILS**

4.1 Following extensive public consultation with the local community and schools, the initial site and building designs have been amended and improved to incorporate the feedback received, including concerns in respect of pupil safeguarding and traffic management. This has necessitated an increase in the budget, with the additional costs being met from within the original 21<sup>st</sup> Century Schools Programme Band A funding envelope of £160m allocated to the Council.

	£
Primary School Modernisation - Porth	10,380,197
Secondary Schools Modernisation - Tonyrefail	43,650,000
Welsh Medium Provision - Tonyrefail	502,818
Primary School Modernisation - Tonypandy	13,577,910
Primary School Modernisation - Llwyncelyn	205,329
Secondary Schools Modernisation - Treorchy	11,435,955
<b>Total investment</b>	<b>79,752,209</b>

- 4.2 The Welsh Government 21<sup>st</sup> Century Schools Programme will fund 50% of the total cost of £79.752m, with the Council borrowing the balance of £39.876m using the Prudential Code to fund its share of the capital expenditure cost. There would be an annual revenue cost estimated at £1.971m per year for 40 years. The annual revenue cost of £1.971m is funded from the revenue savings accrued from closing these and other recent school closures and amalgamations. The revenue savings arise from a reduction in senior management, teacher costs, energy and other overhead costs.

## 5. **CONCLUSION**

- 5.1 The Council's investment in new and refurbished schools in the Rhondda and Tonyrefail can be financed by Welsh Government 21<sup>st</sup> Century Schools Programme funding and the Council's use of the Prudential Code, providing first class learning environments for over 6,000 students.

**LOCAL GOVERNMENT ACT 1972**

**AS AMENDED BY**

**THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985**

**RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL**

**COUNCIL**

**27<sup>th</sup> January**  
**2016**

**REPORT OF THE GROUP DIRECTOR, CORPORATE AND  
FRONTLINE SERVICES**

**Background Papers**

**Financing of Schools Using Prudential Borrowing**