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OGC Gateway™ Process

Review 0: Strategic assessment

Version number: FINAL

Date of issue to SRO: 25th July 2017

SRO: Lynn Phillips

Organisation: Blaenau Gwent County Borough Council

Department: Education Transformation and Performance

OGC Gateway™ Review dates: 17th to 19th of July 2017

OGC Gateway™ Review Team Leader:

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OGC Gateway Delivery Confidence Assessment

Delivery Confidence Assessment	Green/Amber
<p>The Review Team considers that the Delivery Confidence Assessment for the current status of Blaenau Gwent's 21st Century Schools Band A Programme ("the Programme") is Green/Amber.</p> <p>The Review Team finds that significant work has been undertaken with regards to the 21st Century Schools Programme and that governance arrangements exist, with sound programme and project management principles in place.</p> <p>The Review Team acknowledges that two projects involving a new build and remodelling have been delivered successfully.</p> <p>The successful delivery of the Tredegar Comprehensive Remodelling Project and Abertillery Primary New Build proves that the Council understands the skills and processes required to deliver all of the Band A projects in this 21st Century Schools Programme. Benefits realisation plans are in place and are being monitored with all stakeholders bought into the process.</p> <p>The Programme's two remaining projects (Six Bells new build and Ystruth remodelling) have yet to start construction, and, in the case of the Six Bells new build, full planning consent is forecast to be approved in September 2017.</p> <p>There has been a history of slight cost over runs (7% for Abertillery and 15% for Tredegar) on the two completed projects which was primarily down to the complexities of building in the area and the fact that the original costings were developed in 2010. Overall the Council is remaining within the cost envelope agreed with the Welsh Government.</p> <p>The assessment of Green/Amber recognises the level of delivery confidence in the remaining two projects, where close attention will need to be maintained particularly around programme and cost control to ensure risks do not materialise into major issues threatening delivery.</p>	

The Delivery Confidence assessment RAG status should use the definitions below.

<u>RAG</u>	<u>Criteria Description</u>
Green	Successful delivery of the Project/Programme to time, cost and quality appears highly likely and there are no major outstanding issues that at this stage appear to threaten delivery significantly
Green/ Amber	Successful delivery appears probable however constant attention will be needed to ensure risks do not materialise into major issues threatening delivery
Amber	Successful delivery appears feasible but significant issues already exist requiring management attention. These appear resolvable at this stage and if addressed promptly, should not present a cost/schedule overrun
Amber/Red	Successful delivery of the Project/Programme is in doubt with major risks or issues apparent in a number of key areas. Urgent action is needed to ensure these are addressed, and whether resolution is feasible
Red	Successful delivery of the Project/Programme appears to be unachievable. There are major issues on Project/Programme definition, schedule, budget required quality or benefits delivery, which at this stage do not appear to be manageable or resolvable. The Project/Programme may need re-baselining and/or overall viability re-assessed

Summary of Report Recommendations

The Review Team makes the following recommendations which are prioritized using the definitions below.

Ref. No.	Recommendation	Critical/ Essential/ Recommended
1.	The SRO is to engage with the Welsh Government to confirm the re-profiling of finances.	Essential – Do by September 2017
2.	Review and update the risk register to include action owners and target closure dates and update the issue register with issue owners and target resolution date.	Essential – Do by August 2017
3.	The SRO is to ensure that cost control is maintained and value engineering is carried out where required.	Critical
4.	The SRO is to take measures to secure programme staff and maintain management continuity between Band A and a future Band B programme.	Essential – Do by April 2018

Critical (Do Now) – To increase the likelihood of a successful outcome it is of the greatest importance that the Programme/Project should take action immediately

Essential (Do By) – To increase the likelihood of a successful outcome the Programme/Project should take action in the near future. [Note to Review Teams – whenever possible Essential recommendations should be linked to Project milestones e.g. before contract signature and/or a specified timeframe e.g. within the next three months.]

Recommended – The Programme/Project should benefit from the uptake of this recommendation. [Note to Review Teams – if possible Recommended recommendations should be linked to Project milestones e.g. before contract signature and/or a specified timeframe e.g. within the next three months.]

Background

The aims of the Programme:

Blaenau Gwent County Borough Council (“the Council”) is committed to providing all children and young people with education and training, tailored to meet their needs, which will develop their potential, promote social inclusion and contribute to the economic regeneration of the area. Whilst progress has been made, there is a long way to go to improve outcomes for young people in relation to the ‘All Wales’ educational attainment and achievement levels. A fundamental review of the existing school estate is an essential component to transform education across the Authority. The vision is to improve pupil attainment and achievement levels through the transformation of schools and learning to meet modern 21st Century School standards.

The driving force for the Programme:

Improving standards in Education is a Council priority. Blaenau Gwent measures its relative performance against a family of Local Authorities with a similar socio-economic status. On many measures, current performance is above expected levels against similar Local Authorities, and in fact, in some measures Blaenau Gwent is performing significantly above expectations. However, the Council has not underestimated the scale of the challenge to improve learner outcomes across the County Borough and is actively working to improve standards to above that of the all-Wales means.

The procurement/delivery status:

The Programme has a collection of projects which are at various stages ranging from pre-tender through to build completion with defects and liability periods. The most advanced project within the Programme – a new primary school in Abertillery, was completed in the Autumn of 2016 and is currently in the defects and liability period. The Tredegar Comprehensive Remodelling Project was completed in the Summer of 2017 and is also in its defects and liability period. The new build primary at Six Bells is currently forecast to go forward for full planning approval in September 2017, with Ystruth Primary remodelling nearing the tender phase.

Current position regarding OGC Gateway™ Reviews:

This is the third Gateway Review of the Programme. The previous review (Gateway 0) was undertaken at the end of November 2014. All recommendations from this previous Review have been completed.

A summary of recommendations, progress and status from the previous OGC Gateway Review is detailed in Appendix C.

Purposes and conduct of the OGC Gateway™ Review

Purposes of the OGC Gateway™ Review

The primary purposes of an OGC Gateway Review 0: Strategic assessment, are to Review the outcomes and objectives for the Programme (and the way they fit together) and confirm that they make the necessary contribution to Ministers' or the departments' overall strategy.

Appendix B gives the full purposes statement for an OGC Gateway Review 0.

Conduct of the OGC Gateway™ Review

This OGC Gateway Review 0 was carried out from 17th to 19th of July 2017 at Anvil Court, Abertillery. The team members are listed on the front cover.

The people interviewed are listed in Appendix B.

The Review Team would like to thank Lynn Phillips, Senior Responsible Owner (SRO), the Programme Team and all stakeholders who attended interviews for their support and openness, which contributed to the Review Team's understanding of the Programme and the outcome of this Review. Particular thanks go to Sharon Northall for managing the logistics for the Review and coordinating the interview process.

Findings and recommendations

1: Policy

The Review Team found that the 21st Century Schools Programme in Blaenau Gwent is operating in line with the expectations of the Welsh Government as part of its 21st Century Schools Band A Programme launched in 2010. This major, long-term and strategic capital investment programme was launched as a One Wales commitment, and as a unique collaboration between the Welsh Government and Local Government. The investment objectives set by the Council for the Programme are:

1. To raise standards and achievement in line with localised targets at foundation phase, KS2, KS3, KS4; and secure improved transition into post 16 learning;
2. To create a sustainable model for the 21st Century school estate in consideration of both capital and revenue investment, along with the condition and suitability of buildings;
3. To establish effective management and provision of school places, by having the right schools in the right places at the right time;
4. To implement the 21st Century Schools Programme in line with local, regional and national school organisation policy; ensuring synergy between progression, development and implementation; and
5. Meeting the needs of vulnerable learners.

The Council's modernisation programme is well understood and its policy is strategically aligned with the wider Welsh Government strategic objectives.

2: Business Case and stakeholders

The Council submitted its original Strategic Outline Programme in 2010 at a total value of £20m for the Band A investment. Further resubmissions took place in 2013 and 2016 reflecting changes in individual projects within the Programme, as the vision matured with project refinement. One major change has been the removal of the Welsh Medium Project from the Programme. The original funding allocated to that project has been absorbed into the wider programme and used as contingency. In June 2017, a further resubmission and re-profiling of funding was submitted to the Welsh Government and is awaiting approval. The overall budget of £20.25m has not changed, with the Welsh Government agreeing in principle to this 'funding envelope'. It is now important to ensure the re-profiled funding profile is agreed as the Programme prepares to award its final two contracts.

RECOMMENDATION 1: The SRO is to engage with the Welsh Government to confirm the re-profiling of finances.

Band A contains four projects, namely:

- Abertillery Primary School: The replacement of two schools (Blaentillery and Abertillery) with a single organisation and new build.
- Six Bells Primary School: The replacement of two schools (Queen Street and Bryngwyn) with a single organisation and new build.
- Tredegar Comprehensive: A modernisation of the existing estate for an interim period until such time as a new school is built in Band B.
- Ystruth/Welsh Medium Primary: Welsh Medium primary provision and re-modelling of Ystruth School.

The total Blaenau Gwent funding allocation for Band A is £10.125m, matched by the Welsh Government, making a total available budget of £20.25m.

The outcomes from the Programme as set out in the business case are well understood by all stakeholders.

The relationship with the Welsh Government has been positive with solid support for all business cases submitted. The Review Team was told that the Blaenau Gwent business cases have been of a good standard.

The political stakeholders are clearly well engaged and kept informed of progress. The Review Team found that the community has been well engaged throughout the works at Abertillery Primary. Consultation at Six Bells has progressed well with two members of the local regeneration trust having been members of the Programme Board and attended sixteen meetings over eighteen months. There is prominent consideration of community benefits across all the projects which is well documented.

Furthermore, the prominence of the Welsh language is notable in public engagements and, there is growing demand for Welsh in the area. Indications are that Blaenau Gwent is catering for this requirement not only as a result of compliance but also with enthusiasm.

There has been a good level of engagement with the children and young people, exercised through participation officers and teaching staff.

The Review Team was impressed to hear the level of praise for the project management engagement with the schools, and the commitment of the head teachers to driving educational outcomes making best use of the facilities provided under the Programme.

3: Management of intended outcomes

The planned outcomes of the Programme are well understood by all stakeholders.

Blaenau Gwent's 21st Century Schools Programme sits within the Council's Education Directorate. The Programme Team has implemented governance arrangements in line with structured methodologies including Managing Successful Programmes (MSP) and PRINCE2. They have formed a governance structure that is fit for purpose and works well. The Programme Team is resourced to an adequate level for the current Band A projects and has gained a considerable amount of knowledge and expertise. Project and programme planning, benefits realisation, issues and risks are broadly in-line with required guidelines and monitored and updated regularly.

The Programme Team has a benefits management plan that covers both the Programme as a whole and individual projects. In addition, the Review Team heard that the completed projects at Tredegar and Abertillery have future plans for continued development of benefits.

With two of the four projects now completed, the Programme Team has a great deal of enthusiasm and commitment in order to successfully deliver the remaining two Band A projects. The Review Team has received a number of positive comments regarding the Programme Team and its programme management and reporting approach, from internal and external stakeholders. It was found that the Programme Team has a good level of collaboration and joint working with other Departments within the Council in order to ensure successful delivery of the outcomes. The Programme Team should be commended on this approach and its commitment to ensuring success.

4: Risk management

The Review Team was provided with a programme risk register using a format that largely follows good practice guidelines. The risks related to the Council's school modernisation are documented in a register which includes prioritisation, ownership and mitigating actions. An issues log does exist but does not include issue owner and target resolution date.

Assumptions and Dependency registers do exist but do not include last and next review dates. As the Programme moves into site works for the remaining two projects, programme and project risks and issues tracking will become vitally important within a RAID approach.

RECOMMENDATION 2: Review and update the risk register to include action owners and target closure dates and update the issue register with issue owners and target resolution date.

5. Current Phase

Tredegar Comprehensive is a remodelling project, involving updates to science laboratories, classrooms, a canteen and toilet facilities, which was completed in the Summer of 2017. This project is currently in a defects and liability stage with snagging works being undertaken by the contractor, Knox and Wells. This project outturn cost was £300,000 over budget which is 15% above the original estimated cost. Overall, the project has deemed to be a success with the teaching community praising the work of the Programme Team in terms of what has been delivered. As only part of the school has been remodelled it is hoped that Band B funding will be allocated to further works in this school.

Abertillery Primary New Build Project was completed in Autumn 2016, which is currently nearing the end of the defects and liability period. The contract was awarded to Willmott Dixon and split into two phases. There was a cost over-run reported of £620,000 for the completion of works, which is 7% above the original estimated cost. This is mainly due to site conditions and challenging terrain. Overall, the Review Team found that this new build has been well received by the community. Both the teaching staff and Council are monitoring the future delivery of benefits.

Six Bells Primary New Build started the stage 1 design in February 2017, with stage 2 following successful completion of pricing to start in September 2017. The estimated cost of completion has been increased from an initial £6m in the Strategic Outline Programme document to £7.514m. The contractor for stage 1 has been Morgan Sindall and, subject to procurement approval, the same contractor may carry out the stage 2 build works. Outline planning permission for this site was granted in January 2017 with full planning expected to be granted in September 2017. Construction of the site is expected to start shortly after full planning approval with a circa 52 - 56 week build period.

Ystruth Primary Remodelling Project is about to go out to tender for the appointment of a contractor to undertake the works. The cost of the works is estimated to be £0.636m. The works is forecast to be completed by the end of 2018.

As mentioned in Section 2, the current re-forecast of finances for the Programme was submitted to the Welsh Government in June 2017. This takes into account the outturn costs of Tredegar and Abertillery as well as the re-forecasts for Six Bells and Ystruth. It is important to note that the Council has and is continuing to operate within the overall agreed 'cost envelope' of £20.25m. The Review Team found that the £2m released from the cancellation of the Welsh Medium Project has been used to cover cost over runs and contingency. Moving forward, as the projects finalise and the Band A Programme is completed it is important that ongoing robust cost control is maintained by the Programme Team.

RECOMMENDATION 3: The SRO is to ensure that cost control is maintained and value engineering is carried out where required.

6: Readiness for the next phase

The Programme is at an advanced stage of delivery, having successfully delivered two projects and is currently preparing to award two further contracts for completion over the next eighteen months.

In addition to delivery of the Band A projects, the Review Team found that the Council is undertaking wider transformational projects across its schools estate including strategic investment in ICT infrastructure and class sizes development.

The Programme Team is preparing to submit its Strategic Outline Programme for Band B investment. It is currently the vision of the Council that the Band B Programme will include more schools remodelling as well as Welsh medium development. This phase of investment is forecast to cover the period 2019-24.

On the basis that a future Band B funding application will be successful, the Review Team identified that there could potentially be an internal staff funding gap between the end of Band A and the start of Band B. There is concern that this funding gap could affect the continuity of programme staff. With such a small team that is heavily dependent on the expertise, knowledge and experience of a few dedicated people, this presents a significant risk to the success of future phases. The Review Team heard that charging staff costs to one or more of the Council's wider strategic projects may be an option to cover an interim period.

RECOMMENDATION 4: The SRO is to take measures to secure programme staff and maintain management continuity between Band A and a future Band B programme.

APPENDIX A

Purposes of OGC Gateway™ Review 0: Strategic assessment

- Review the outcomes and objectives for the Programme (and the way they fit together) and confirm that they make the necessary contribution to overall strategy of the organisation and its senior management.
- Ensure that the Programme is supported by key stakeholders.
- Confirm that the Programme's potential to succeed has been considered in the wider context of the organisation's delivery plans and change Programmes, and any interdependencies with other Programmes or Projects in the organisation's portfolio and, where relevant, those of other organisations.
- Review the arrangements for leading, managing and monitoring the Programme as a whole and the links to individual parts of it (e.g. to any existing Projects in the Programme's portfolio).
- Review the arrangements for identifying and managing the main Programme risks (and the individual Project risks); including external risks such as changing business priorities.
- Check that provision for financial and other resources has been made for the Programme (initially identified at Programme initiation and committed later) and that plans for the work to be done through to the next stage are realistic, properly resourced with sufficient people of appropriate experience, and authorised.
- After the initial Review, check progress against plans and the expected achievement of outcomes.
- Check that there is engagement with the market as appropriate on the feasibility of achieving the required outcome.
- Where relevant, check that the Programme takes account of joining up with other Programmes, internal and external.

APPENDIX B

Interviewees:

Name	Role
Lynn Phillips	Head of Education Transformation and Performance / SRO
Claire Gardner	Education Transformation Manager / Programme Manager
Carol Morgan	Head teacher, Tredegar Comprehensive School
Nathan Jenkins	Acting Principal, Abertillery Learning Community
Mike Price	Property Services Manager
Dave Robinson	Architectural Projects Manager
Sharon Northall	21 st Century Schools Officer / Business Change Manager
Joanne Watts	Principal Accountant
Ceri Bird	Integrated Services Team Manager for Children & Families
Gavin Metheringham	Inclusion Manager – Education
Lyn Evans	Programme Board Member, Six Bells Regeneration Trust
Rhys Williams	Senior Building Manager, Willmott Dixon
Tom Davies	Framework and Business Development Manager, Morgan Sindall
Steve Smith	Service Manager Development / Head of Planning
Lisa Meredith	Employment and Enterprise Officer
Mike Kelly	Programme Board Member, Six Bells Regeneration Trust
Kathryn Massey	Head of Capital Funding, Education and Public Services, Welsh Government
Lynette Jones	Corporate Director for Education
Cllr Clive Meredith	Executive Member for Education

APPENDIX C

Recommendations from previous OGC Gateway™ Review

Recommendation	Progress/Status
1. The SRO should enhance the Risk Management techniques employed within the Programme.	Completed
2. The SRO should actively engage with the SEWC to ensure that the Welsh Medium Secondary needs of Blaenau Gwent are specifically addressed within the OBC.	Completed
3. The SRO should embrace a structured approach to Programme Management and tune the governance arrangements accordingly.	Completed

Appendix 4

ACTION PLAN TO RESPOND TO THE GATEWAY REVIEW RECOMMENDATIONS OF JULY 2017

RECOMENDATION	PROPOSED ACTION TO ADDRESS THE RECOMMENDATION	ACTION HOLDER	Status
The Senior Responsible Owner (SRO) is to engage with the Welsh Government to confirm the re-profiling of finances.	<ul style="list-style-type: none"> Dialogue with Welsh Government 21st Century Schools Programme team to confirm approval of re-profile submitted. 	L PHILLIPS Essential – Do by September 2017	Completed: approval letter received from Welsh Government
Review and update the risk register to include action owners and target closure dates and update the issue register with issue owners and target resolution date.	<ul style="list-style-type: none"> Update the risk register to include action owners and target closure dates. Maintain the dependencies and assumptions logs, in line with the MSP framework 	Claire Gardner/Sharon Northall Essential – Do by August 2017	Education Transformation team reviewing the risk register format, which will be revised for the 21 st Century Schools Programme Board September meeting.
The SRO is to ensure that cost control is maintained and value engineering is carried out where required.	<ul style="list-style-type: none"> Monitor the programme and project budget so that a more accurate level of spend can be determined. 	L PHILLIPS Critical	Six Bells - subject to planning requirements, the Stage 2 contractor appointment will be made. Cost control is to be monitored on a monthly basis.
The SRO is to take measures to secure programme staff and maintain management continuity between Band A and a future Band B programme.	<ul style="list-style-type: none"> Education Transformation staffing consolidation reports will be produced to provide options to sustain posts for 2019/20 financial year and beyond. 	Essential – Do by April 2018	Draft programme staffing reports to be produced, in line with Council's financial planning processes during the financial year 2017-18.

