

CHILDREN & YOUNG PEOPLE CABINET MEMBER MEETING

Agenda Item 63

Brighton & Hove City Council

Subject:	Capital Resources & Capital Investment Programme 2011/2012		
Date of Meeting:	17th January 2011		
Report of:	Strategic Director, People		
Contact Officer:	Name:	Gillian Churchill	Tel: 29-3515
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Key Decision:	No	Forward Plan No. N/A	
Wards Affected:	All		

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT:

- 1.1 In order to determine an overall Capital Programme for Brighton & Hove City Council, each service is asked to consider its capital investment requirements, within the level of allocated resources for 2011/2012.
- 1.2 The purpose of the report is to inform the Cabinet Member of the level of available capital resources allocated to this service for 2011/2012 and to recommend to Cabinet a Capital Investment Programme for 2011/2012.

2. RECOMMENDATIONS:

- 2.1 That the level of available capital resources totalling £10.406m for investment relating to education buildings financed from capital grant, revenue contributions, reserves and capital receipts be noted.

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

- 3.1 The Education Capital programme will form part of the Council's full Capital Investment Programme and will be approved at Cabinet on 3rd February 2011.
- 3.2 **Capital Finance Settlement**
- 3.3 In December 2010, the Government announced the capital allocations for 2011/12. The allocation for 2012/13 and indicative allocations for 2013/14 and 2014/15 are expected to be announced in early 2011. The capital allocation is now funded entirely through capital grant and no funding is provided through supported borrowing.

- 3.4 The table below shows the allocations of capital grant funding announced for 2011/12.

	2011/2012 Settlement £m
Capital Maintenance Grant	3.575
Basic Need Funding	3.118
Devolved Formula Capital Grant	0.543*
Total	7.236

This table only includes funding allocated for building related work. It does not include budgets managed by others.

* Devolved Formula Capital is passed directly to schools and therefore is not available for the Local Authority to spend

- 3.5 The overall level of capital funding available for expenditure on school buildings from the Government has **decreased** under the new financial regime. A number of exceptional grants such as Targeted Capital Fund, Basic Need Safety Valve funding, the ICT Harnessing Technology Grant, Surestart funding and the Co-location Grant came to an end in the last financial year.
- 3.6 Additional grant funding may be made available to the Department throughout the forthcoming financial year.

3.7 Capital Resources

- 3.8 The level of projected resources must finance all capital payments in 2011/2012 including existing approved schemes, new schemes and future year commitments. A summary of the resources available to finance these payments is shown in the table below.

	£m
Capital Grants	7.236
Revenue Contributions	0.920
Capital Receipts	1.000
Section 106 Contributions	0.250
Specific Reserves	1.000
Total Capital Resources	10.406

3.10 In addition to the resources identified above, the Department for Education will allocate funding for expenditure at voluntary aided schools in Brighton & Hove under several programme headings.

3.11 Capital Investment Programme

3.12 A recommended Capital Investment Programme for 2011/2012 will be reported in due course.

3.13 Capital slippage arising from the 2010/2011 capital programme will be incorporated into the 2011/2012 programme when the capital accounts are closed in May 2011 and will be funded from existing resources carried forward.

3.14 Under Financial Regulations, all new schemes require a detailed report to be submitted to Cabinet for final approval prior to their commencement. This ensures that Members have the opportunity to assess the outputs of individual projects against their strategic priorities and to ensure that all the legal, financial and cross-service implications are fully considered

4. CONSULTATION

4.1 There has been no specific consultation regarding the content of this report.

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

5.1 The report set out the allocation of capital resources that were announced as part of the capital finance settlement in December 2010. The revenue implications of any scheme will be met from existing revenue budgets. Reserves have been set aside to meet future education investment and will be invested where required and section 106 money has been identified in connection with specific education investment.

Finance Officer Consulted: Rob Allen

Date: 17 Dec 2010

Legal Implications:

5.2 There are no direct legal implications arising from this report. Individual projects may give rise to specific issues which will be covered by the individual reports referring to them

Layer Consulted: Serena Kynaston

Date: 04 Jan 2011

Equalities Implications:

5.3 The equality implications of individual schemes included within the Capital Investment Programme are reported to Members when the detailed report is submitted to Policy and Resources Committee for final approval. The detailed planning of projects at educational establishments will take account of the implications of Brighton & Hove's policies in relation to equality of access to learning.

Sustainability Implications:

- 5.4 There are no direct environmental implications arising from this report. The environmental impact of individual schemes are reported to Members when the detailed report is submitted to Policy and Resources Committee for final approval. The detailed planning of projects at educational establishments will take account of the implications of Brighton & Hove's policies in relation to Local Agenda 21 and sustainability issues generally.

Crime & Disorder Implications:

- 5.5 The prevention of crime and disorder implications of individual schemes included within the Capital Investment Programme are reported separately to Members when the detailed report is submitted to Policy and Resources Committee for final approval. The detailed planning of projects will take account of security issues.

Risk and Opportunity Management Implications:

- 5.6 There are no risk issues in terms of resources or risks to children as a result of this proposal.

Corporate / Citywide Implications:

- 5.7 The NDS funding identified in this report is evidence of the Government's continuing support, via the New Deals for Schools, for the Council's work as a Local Education Authority.

6. EVALUATION OF ANY ALTERNATIVE OPTION(S):

- 6.1 The only option available would be to not make use of this funding to improve / extend the education property portfolio. This is not recommended as it would limit our ability to maintain, modernise and improve our school buildings property portfolio

7. REASONS FOR REPORT RECOMMENDATIONS

- 7.1 The proposed capital Investment programme will enable us to continue to ensure that we provide school places in areas of the city where they are required and to improve the condition of our education property portfolio.

SUPPORTING DOCUMENTATION

Appendices:

1. None

Documents In Members' Rooms

1. None

Background Documents

1. None

