

PART 1 - PUBLIC

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**Decision Maker:** Council

**Date:** 28<sup>th</sup> June 2010

**Decision Type:** Non-Urgent

**Title:** CAPITAL PROGRAMME 2010/11 REVISIONS AND TRANSFER OF LEARNING AND SKILLS COUNCIL FUNDING

**Contact Officer:** Lynn Hill, Democratic Services  
Tel: 020 8461 7700 E-mail: lynn.hill@bromley.gov.uk

**Chief Officer:** Director Legal, Democratic and Customer Services  
Director of Resources

**Ward:** N/A

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1. Reason for report

The Executive at its meeting on 16<sup>th</sup> June 2010 received a report on the final outturn on capital expenditure and receipts for 2009/10 which is attached for background information. As part of this report there are details of three capital schemes that need to be reported to Council for formal inclusion in the current Capital Programme.

In addition there are also two other schemes that were agreed by the Executive at its May meeting all of which individually cost over 1m that need to be reported to Council for inclusion in the Capital Programme.

At the Executive's meeting on 16<sup>th</sup> June 2010 there was also a report on the transfer of 16-19 Funding and Commissioning from the Learning and Skills Council to Bromley and Council is requested to approve the corresponding adjustment to the CYP budget.

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2. **RECOMMENDATION(S)**

**Council is recommended to approve -**

1) the inclusion in the Capital Programme of the following Schemes:

i) Bickley Primary School - £1,395,000

ii) Princes Plain Primary School - £1,363,000

iii) The Highway Primary School - £4,020,000

**iv) Hawes Down Co-location Project - £1.518m; and**

**v) Redevelopment of The Pavilion Leisure Centre - £5.5m; and**

**2) the transfer of 16-19 Funding and Commissioning from the Learning and Skills Council to the Local Authority – adjustment of the CYP budget to reflect the payment responsibilities of £47m in total of which £31.4m is in the approved budget to fund Bromley schools post 16 provision; the increase of £15.9m to be offset by a corresponding increase in YPLA funding.**

### Corporate Policy

1. Policy Status: Existing policy. Any changes to the capital programme in respect of schemes costing over a £1m have to be reported to Council.
  2. BBB Priority: Excellent Council.
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### Financial

1. Cost of proposal: Estimated cost £15.8m Capital and £15.9m YPLA Payments
  2. Ongoing costs: N/A.
  3. Budget head/performance centre: Capital Programme & Schools/Colleges Related Budgets
  4. Total current budget for this head: £75.2m approved Capital Programme for 2010/11 & £31.4m YPLA Grant
  5. Source of funding: Capital Programme: capital receipts, grants, contributions and revenue contributions; YPLA Grant
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### Staff

1. Number of staff (current and additional): N/A
  2. If from existing staff resources, number of staff hours: N/A
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### Legal

1. Legal Requirement: No statutory requirement or Government guidance.
  2. Call-in: Call-in is not applicable.
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### Customer Impact

1. Estimated number of users/beneficiaries (current and projected): N/A
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### Ward Councillor Views

1. Have Ward Councillors been asked for comments? N/A.
2. Summary of Ward Councillors comments:

### 3. COMMENTARY

The following schemes require Council approval to be included in the current Capital Programme.

#### Expansion and rebuild of three Primary Schools.

Paragraphs 3.12 and 3.13 of the attached report give brief details of the three capital schemes to expand Bickley and Princes Plain Primary Schools and to rebuild The Highway Primary School.

#### Hawes Down Co-location Project

The Executive at its meeting on 26<sup>th</sup> May 2010 considered a report setting out proposals and costs in respect of the above project to develop the Phoenix Youth Centre into a service hub for disabled children and their families. Approval was given to proceed with the project and seek planning permission and appropriate tenders for the work.

Full details of the proposals are set out in the report submitted to the Executive including the decision to locate the new provision as part of the Phoenix Youth Centre rather than in a separate building. A fully costed appraisal was submitted which showed that the capital cost of the Project would be funded from a range of grants as well as a contribution from the Glebe Special School. The corresponding cost of the boiler replacement would be funded from the planned maintenance budget. Council is being requested to approve the inclusion of a sum of £1.518m in the Capital Programme for this project.

#### Proposals for the redevelopment and refurbishment of The Pavilion Leisure Centre

Also at the Executive meeting on 26<sup>th</sup> May 2010 was a detailed report on a range of proposals, drawn up by Bromley Mytime in conjunction with the Council, for the redevelopment of The Pavilion Leisure Centre. These included the refurbishment of the Leisure pool; complete redevelopment and relocation of the fitness suite; the relocation of the Adventure Kingdom into the Pavilion and a new 12 lane Tenpin bowling activity in place of the squash courts and sports hall. The Executive fully supported these proposals to bring a range of improvements to public services in Bromley Town Centre and agreed to request the Council to approve the inclusion of £5.5m in the capital programme for the Pavilion development.

### 4 The transfer of 16-19 Funding and Commissioning from the Learning and Skills Council to the Local Authority

At its meeting on 16<sup>th</sup> June 2010, the Executive received a detailed report on the transfer of responsibilities to the Council for securing sufficient high quality education and training skills for all young people aged 16-18 and learners aged 19-25 with learning difficulties and disabilities. Detailed reports on this have already been to the CYP Portfolio Holder at his meeting in February as well as a briefing paper circulated to all members on 22<sup>nd</sup> April 2010. The Council gained responsibility on 1<sup>st</sup> April 2010 for the transfer of funding already allocated for running the existing Learning and Skills Council contracts in the current academic year and thereafter providing the future service.

In the initial four month period, the Council will receive £16m; £10m of this will be sent to schools to fund School Sixth Forms, and the remaining £6m will be sent to the FE colleges and other external providers of 16-18 services. Extrapolating the £16m for a whole financial year, the amount received by Bromley will be around £47 million of which £31.4m is in the approved budget to fund Bromley schools post 16 provision. Commissioning decisions at a national level will determine the actual figure received and distributed.

Funding is received and distributed in monthly instalments. The Young People Learning Agency (YPLA) have issued a detailed timetable specifying the dates when they will transfer funding to the Council, and in turn when the Council must make the payments to the individual providers. All funding is received in advance of distribution.

The duties assumed in commissioning and in distributing the funds are determined by statute under a national formula and so are not discretionary. This being so, there are no funding risks beyond those entailed in any management arrangement. As with all other activities, these are under the Financial Procedures and other governance arrangements.

Unlike the Dedicated Schools Grant (DSG), any unused balances revert to source (YPLA) rather than being carried forward.

Because of the Local Authority’s ‘banker’ role, it is recommended that the 2010/11 gross budget for CYP should be increased to reflect sums distributed to external providers, offset by a corresponding increase in YPLA funding. The “equal and opposite” adjustments to the budget will be circa £16m. Other councils have confirmed that they are making similar arrangements to adjust their budgets. The Executive in agreeing/endorsing the arrangements is recommending to Council that the Children and Young People budget be adjusted to reflect the full 2010/11 payment responsibilities of £47m offset by a corresponding increase in YPLA funding.

**5. FINANCIAL IMPLICATIONS**

The main financial details are set out above. A revised Capital Programme and capital financing statement will be included in the quarterly monitoring report due to be considered by the Executive at its meeting on 21<sup>st</sup> July 2010.

<b>Non-Applicable Sections:</b>	Legal, Personnel and Policy implications.
Background Documents: (Access via Contact Officer)	[Title of document and date]