

Aletheia Anglican Academies Trust



Aletheia
Anglican Academies
Trust

School Condition Allocation Policy & Procedure

Review Body:

Board of Trustees

Author:

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1. Introduction

In February 2015 the Department for Education announced indicative allocations for school condition funding covering a three-year period 2015/16 to 2018/19, which has since been extended. The allocations were based on a new approach of investing in the condition of the education estate and made in respect of:

Direct funding for individual institutions – Devolved Formula Capital (DFC);
Funding for those bodies responsible for individual institutions – School Condition Allocations (SCA);
Those institutions not receiving SCA are eligible to apply for Condition Improvement Funding (CIF).

Due to the size of Aletheia Anglican Academies Trust (AAAT), the Trust has received formulaic SCA funding based on student numbers rather than academies bidding individually for CIF.

Current Education and Skills Funding Agency (ESFA) rules state that Multi Academy Trusts (MAT) must spend SCA by the end of the next financial year (i.e. 31st March). Any funding (i) carried over in excess of that amount, or (ii) carried over beyond, or unspent at, the end of next financial year would need to be repaid to the Department unless the Secretary of State decides to the contrary at his/her sole and absolute discretion. It is therefore necessary to ensure that procedures exist for the early identification of projects and allocation of funding, providing assurance on spend of funds moving forward.

2. Scope

Whilst student numbers form a determining factor behind the allocation from the ESFA, the Board of Trustees recognises that the age and state of repair of each academy will not directly correlate with student numbers. Capital projects relating to the compliance, safety and condition of the buildings will be the primary criteria for any projects. Following the guidance of the ESFA and CIF, the categories that AAAT propose to use for the identified works comprise:

Category 1: Compliance Legislation and Health & Safety

Health & safety and building compliance; fire safety, gas and electrical safety, emergency and managed asbestos removal to facilitate essential work, water services – (hot and cold) and drainage, security and safeguarding

Category 2: Life Expired Condition Replacement

Building structure; utility capacity and connections; mechanical systems; electrical systems

Category 3: Improvement Projects

Projects on the Trust or academies' wish list: this could be reconfiguration to facilitate new ways of teaching, facelifts to improve the learning environment, making better use of external space, or any such projects of benefit to the individual school or wider Trust.

The nature of these items is such that planned maintenance and replacement will be the primary aim, but there will be occasions when outright failure occurs, and emergency work is required. For this reason, an amount of money will be carried forward as a contingency for emergency work that has not been planned for. The Trust anticipates that this will be no more than 10% of the total SCA allocation in any one year.

Unless circumstances are exceptional, IT equipment will not qualify for funding via the SCA funding process.

The Trust may consider work which will result in a reduction in revenue costs (such as energy efficiency improvements) within Category 2. However, academies should be mindful of the existence of alternative funding options and grants available, for example the Public Sector Decarbonisation Scheme (PSDS), administered by Salix Finance. Further details of the PSDS can be found [here](#). The Trust requires academies to consult on any grant bids prior to submission.

SCA will not be awarded for routine maintenance works, for which Devolved Formula Capital and/or revenue should be utilised.

It is anticipated that due to funding restraints it will be likely that a combination of Category projects will be approved during any given year, to maximise the number and impact of SCA projects deliverable. Category 2 and 3 projects will not be awarded at the expense of outstanding Category 1 projects, unless academies are able to present a significant and suitable business case to the benefit of such a project. Academies should also consider the availability of their own funds and determine if a contribution can be made towards the cost of the project. In some cases, where there is a high surplus forecast, the Trust may request part-funding as a condition of the award of funds. It is the intention to allocate the majority of funds by December each year to maximise the use of the summer holiday period to undertake schemes and to allow enough time for appropriate procurement routes to be followed.

3. Assessment and Prioritisation of Works

In the first instance, the baseline information that will be used for assessment of each school will be Condition Survey data undertaken by surveyors on behalf of the Trust. The surveys will establish the condition of the estate and provide budget costs for the various works identified to help determine deployment of SCA.

Academies will also be invited to provide a shortlist of their most desirable projects, detailing project need to ensure that a holistic approach to the deployment of funds is undertaken.

Should the cost of Category 1 priorities exceed SCA funds available, schemes will be prioritised according to the following criteria:

- i. The value of previous capital projects carried out at the academy (academies with lower levels of capital investment in the last three years will be prioritised);
- ii. The reduction in ongoing revenue expenditure that will be generated as a result of the project;
- iii. The contribution towards achieving AAAT strategic aims, such as the need for improvements in educational outcomes or targeted MAT growth.

4. Programme Development

This policy sets out to determine a programme of works that will allow individual academies to know when they can expect to have funding for specific projects in Categories 1 and 2. Funding will also be set aside for emergency and improvement projects and if not fully utilised it will go back in to the fund and redistributed in the following year, or could be used to carry out pre-emptive work to reduce the risk of future emergencies.

The assessment and prioritisation will determine how much is allocated to the various categories of work. It is likely that in the first few years that the majority of the funding will go towards the Compliance and Condition Works, partly due to a backlog of works outstanding from when academies

were maintained by the Local Authority. However, the Trust would also like to allow academies to consider their 'wish list' items and develop their estates plans.

The Trust recognises that there is a delicate balance between ensuring there is funding available for emergency works to be carried out when required and utilising capital funds to improve the academies to avoid emergency works. DFC allocations will be considered as part of this process and academies are encouraged to prioritise spend across the available funding streams i.e. SCA, DFC, Little extras/HPCF (one off government allocations) and surplus revenue. As such, the Chief Executive Officer will agree the schedule of approved works. Funding decisions will be reviewed annually by the Board of Trustees to monitor effectiveness of spend, reserves balances, and satisfaction within the Trust.

The Chief Executive Officer has delegated oversight of this programme to the Trust Operations Officer.