



SCHOOL CONDITION ALLOCATION POLICY AND PROCEDURE

The Central Team will review this policy on an annual cycle

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Colleagues affected by this Policy:	Headteachers, governors
Person responsible for the Policy:	Chief Operating Officer
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Introduction

Multi Academy Trusts (MATs) with at least 5 academies and more than 3,000 students, receive a School Condition Allocation (SCA) to deploy strategically across their estate to address their priority maintenance needs. The Sea View Trust is eligible for this allowance from April 2022 as the multiplying factor for special schools is 4.5, taking the total number of students above 3,000.

Investment will be prioritised on keeping the academy buildings safe and in good working order by tackling poor building condition, building compliance, energy efficiency, and health and safety issues. School Condition Allocations take into account the information that the ESFA have collected through the Property Data Survey programme (PDS) about the condition of schools. The guaranteed annual School Condition Allocation (SCA) replaces annual Condition Improvement Fund (CIF) bidding process for academies, which was not guaranteed, thereby providing some certainty for capital expenditure planning.

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 SVT propose to use for the identified works comprise:

Category 1: Compliance Legislation and Health & Safety

Including but not limited to: 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; wear and tear; “invest to save” initiatives

Category 3: Improvement Projects (subject to a business case)

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 ‘Salix’ interest free ‘Salix Energy Efficiency Fund (SEEF)’ loans, which are typically available for academies to bid for during the CIF bid

window. Further information on 'SEEF' can be found here. The Trust requires academies to consult on any grant bids prior to submission. The expectation would be for these loans to be repaid from revenue funding from reduced energy costs, therefore a full project proposal including energy savings would need to be produced ahead of accessing the funding to ensure that it will be affordable.

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. This may include investing in an academy in order to improve its ability to attract/attractiveness to potential pupils and parents. 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.

Assessment and Prioritisation of Works

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

Local Governing Bodies 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. This will be carried out in consultation with the central team.

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 (priorities may be given to academies with lower levels of capital investment in the last three years;
- ii. The reduction in ongoing revenue expenditure that will be generated as a result of the project;
- iii. The contribution towards achieving SVT strategic aims, such as the need for improvements in educational outcomes or targeted MAT growth.

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. However, the Trust would also like to allow their schools 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, and surplus revenue. As such, the Trustees 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.

Any school joining the Trust mid cycle would not be able to benefit from this arrangement until they are included in the SCA calculation.

Any annual changes to the terms and conditions of the allocation will be reflected accordingly in this policy.

The Chief Executive Officer has delegated oversight of this programme to the Trust's Chief Operating Officer.

Devolved Formula Capital (DFC)

Devolved Formula Capital (DFC) remains based on a per academy basis. Each academy receives a lump sum of £4,000 and a variable amount based on their student numbers multiplied by the appropriate rate per student. Allocations for each academy will be transferred directly to the academy without any adjustments by SVT. The funding can be used to maintain buildings, and to fund small scale capital projects, including IT.

Good Estates Management for Schools

The Trust will work with each school to ensure the principles stated in the DfE guidance are applied. This will involve developing an estates strategy and an Asset Management Plan for each school.

[Good estate management for schools - Guidance - GOV.UK \(www.gov.uk\)](http://www.gov.uk)

Annual Cycle

Month	Process
February	Condition surveys carried out by Trust appointed surveyors (updated bi-annually)
March	COO to meet with Headteachers/COGs and discuss priorities
Mid April	Chair of governors/premise task and finish group to approve individual priorities
April	Funding released by DfE
End of April	Representatives of Trust FARR committee meet to agree allocation of funding.
April/May	Input to budget and risk register if required
May	Funding is allocated to the Trust and paid in instalments in May, June, July and August