

SCHOOL CONDITION ALLOCATION FUNDING AND PRIORITISATION POLICY

Reviewed: November 2023
Next review due: December 2024

Introduction

Bradford Diocesan Academies Trust has and is required to have an appropriate plan that demonstrates the strategic use of the allocated capital funds across the estate. BDAT are required to report the capital expenditure to the ESFA during and at the end of each financial year.

BDAT will ensure that there is a consideration of any health & safety issues, property condition, environmental impact as well as any other academy improvement priorities.

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, thereby providing some certainty for capital expenditure planning. Investment will be prioritised on keeping the buildings safe and in good working order by tackling poor building condition, building compliance, energy efficiency, and health and safety issues.

School Condition Allocations are based on a formula that consider the school locations, conditions, pupil numbers and PFI factors. The 2023/24 initial allocation for BDAT was £1,161,121 to address and maintain the condition of the school estate.

The grant must be used exclusively for capital expenditure. For the financial year 2023-24, BDAT may carry over a total amount of SCA equivalent to 100% of its 2023-24 allocation, into the next financial year of 2024-25. Any funding carried over in excess of that amount will be repaid to the Department unless the Secretary of State decides to the contrary.

Reinforced autoclaved aerated concrete (RAAC)

The DfE will fund refurbishment projects, or rebuilding projects where these are needed, to rectify RAAC in schools for the long term. The DfE will also fund emergency mitigation work needed to make buildings safe, including the installation of alternative classroom space where necessary. This is in addition to any SCA funding for the financial year 2024 to 2025.

Scope of Works

Whilst pupil 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 be directly related to pupil 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, the categories that BDAT propose to use for the identified works comprise:

Category 1 - Compliance - Health & Safety and Building Compliance; fire protection, gas and electrical safety, emergency asbestos work, legionella, safeguarding, etc.

Category 2 - Condition - Building Condition: roofing and weather tightness, structural weakness, heating or other pipework failure.

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.

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

Category three is for **improvement projects** which are on the schools or Trusts 'wish list'. This could be reconfiguration to facilitate new ways of teaching, facelifts to improve the learning environment, making better use of external space, expansion requirements, or any such projects that can be justified as a benefit to the individual school or wider trust.

SCA will not be awarded for routine maintenance works, for which revenue should be utilised unless financial circumstances require consideration.

In March each year, there will be an initial bidding round which allocates the majority of SCA funding to successful schemes in accordance with the 'Assessment and Prioritisation' section below.

Should sufficient funds remain, a second bidding round will be opened for consideration in May each year to allocate the remaining funds available. It is the intention to allocate the majority of funds by May each year to maximise the use of the summer holiday period to undertake schemes. Following this point, only emergency bids will be considered. This is for work which could potentially close your premises and cannot be funded from within the academies through DFC/revenue/other funding.

Should you encounter a delay in procuring your work you must update the trust who will reconsider the allocation, to comply with spending round limitations. As the funds announced in the initial bidding round in March will be prior to release of formal capital allocations, schemes will be expected to run at risk until actual capital allocations are announced.

Contingency

Planned improvement and replacement is the primary aim for SCA funds, however there will be occasions when outright failure occurs, and emergency work is required. For this reason, a contingency for emergency work that has not been planned for will be retained at all times during the funding cycle.

BDAT will retain no more than 20% of the total SCA allocation in any one year. This amount will be reduced to 10% of the total SCA allocation in the autumn term to allow further schemes to receive funds by the start of the new calendar year. In the spring term the remaining emergency funds retained, will still be retained centrally but will be notionally allocated to prioritise schemes to be undertaken in the summer holiday period. As we must ensure emergency funding is available until the following years allocation is received, these schemes will **not** be allowed to be undertaken until the summer holiday period.

Environmental Allocation

In accordance with BDAT's Climate Change and Environmental Sustainability Strategy, in Spring each year the Finance and Resource Committee (FARC) will dedicate an amount of SCA funding that is specifically allocated to environmental and sustainability projects. These projects must meet one of the following criteria:

- Moving fluorescent lighting to be replaced by LED
- Insulation to reduce heat loss in schools
- Control systems to reduce energy consumption, such as BMS, light sensors etc.
- Installation of electric car charging points
- Installation of renewable energy sources
- Replacement windows to reduce heat loss
- Decarbonisation of heating systems
- Building improvements to reduce energy consumption or reliance on fossil fuels

The Head of Estates will recommend the environmental allocation to the FARC, using the knowledge of ongoing Estates issues and expected bids.

Assessment and Prioritisation of Works

Over the past three years, BDAT has allocated funds to ensure all schools have an up-to-date Condition Survey. The surveys estimate costs for the various works identified and prioritise on a scale from immediate to 10+ years. These surveys will be used to assess the categories of each submitted bid before making a recommendation to the Board. The use of health and safety and other compliance audits, for example asbestos, five years electrical, fire risk assessment will also be used to identify essential compliance work.

BDAT will assess each application using the information contained within the Annex A, as well as a site visit if necessary, and make a relative judgement, to award an overall project score. Each application will be scored, based on a maximum possibility of 30 points. The priority of the bid will be used as a baseline and additional points scored if certain criteria are met.

Project Category	Points Awarded
Category 1 - Compliance - Health & Safety and Building Compliance; fire protection, gas and electrical safety, emergency asbestos work, legionella, safeguarding, etc.	30
Category 2 - Condition - Building Condition: roofing and weather tightness, structural weakness, heating or other pipework failure.	20
Category 3 – Improvement Projects – Projects on the Trust or academies wish list: this could be reconfiguration to facilitate new ways of teaching, facelifts	10

to improve the learning environment, making better use of external space, or any such projects of benefit to the individual school or wider trust.	
Criteria for Category 2 & 3 bids ONLY	Additional Points
The project is in line with BDAT's Climate Change and Environmental Sustainability Strategy – meeting any of the criteria outlined under "Environmental allocation"	5
Criteria for Category 3 bids ONLY	Additional Points
Support from the school through additional funding (DFC/Revenue/Other Grants):	
Schools in an overall deficit or holding < 5% reserves	4
Schools holding > 5% reserves and contributing 20% to the project	4
Schools holding > 5% reserves and contributing 15% to the project	3
Schools holding > 5% reserves and contributing 10% to the project	2
Schools holding > 5% reserves and contributing 5% to the project	1

The School Condition Allocation funding will be awarded based on the projects that receive the highest points. Should the cost of the projects with the highest points exceed the SCA funding available, the following criteria will be used to determine final allocations:

1. The value of previous capital projects carried out at the school (schools with lower levels of capital investment in the last 2 years will be prioritised).
2. The reduction in ongoing revenue expenditure that will be generated because of the project.
3. The contribution towards achieving BDAT strategic aims such as the need for improvements in educational outcomes or targeted MAT growth.

Applications

Applications are to be made using the form at Annex A.

The cost of the project should include all fees (where applicable, including Diocese and statutory fees). The initial cost estimate from the contractor/consultant is to be included with the application as evidence of the project cost. Where there are a number of individual elements to a project (e.g. mechanical, electrical, building, decorating etc.) estimates for each part are to be included.

The school should consider allocating a contingency amount to large projects, particularly in light of the recent increases to supply and material costs.

Schools should consult with the Head of Estates and Environment, prior to submission of a bid. This is to assist the school with the preparation of specifications to ensure supplier quotes can be accurately compared during the process. The Head of Estates and Environment will also advise on how to maximise the

use of the funds and ensure the project has taken account of BDAT's goal to achieve carbon net zero by 2030.

Procurement

For clarity, the conditions for procurement are laid down in the BDAT Finance Policy and Financial Procedures Manual, extracts of which are reproduced below:

Procurement

The Trust wants to achieve the best value for money from all our purchases. This means we want to get what we need in the correct quality, quantity and time at the best price possible. A large proportion of their purchases will be paid for with public funds and we need to maintain the integrity of these funds by following the general principles of:

- **Probity:** *it must be demonstrable that there is no corruption or private gain involved in the contractual relationships of the Academy*
- **Accountability:** *the Academy is publicly accountable for its expenditure and the conduct of its affairs*
- **Fairness:** *that all those dealt with by the Academy are dealt with on a fair and equitable basis.*

Routine Purchasing

It is essential that all the following controls are adhered to:

- *orders should not be entered into verbally*
- *the use of 'Official Order Forms' through the local system automatically updates the financial records and enables committed expenditure to be included in management information for governors*
- *in exceptional circumstances (e.g. emergency repairs) orders may be placed by telephone. In such circumstances a confirmation order should be generated. Orders may be faxed to suppliers, in order to reduce timelines.*
- *orders should only be approved in accordance with the authorised limits within the scheme of delegation*
- *orders may only be used for goods and services provided to BDAT. Private individuals and other organisations may not use 'Official Order Forms' to obtain work, goods, materials and services net of VAT*
- **orders under £10,000** - *can be ordered by Academy Business Leaders, who will be responsible for ensuring that reasonable steps have been taken to achieve Best Value. Best Value could be achieved by:*
 - *supplier chosen from the list of approved suppliers maintained by the Finance Office*
 - *bulk purchasing of common consumables*
 - *negotiating discounts*
 - *taking advantage of sale seasons*
 - *obtaining alternative quotations wherever possible*
- **orders over £10,000 but less than £25,000 (Primary)** - *at least three written quotations are required to identify the best source of the goods/services. Written details of quotations obtained should be prepared*

and retained by Academy Business Leaders for audit purposes and approved by the Head Teacher/Principal and BDAT

- **orders over £10,000 but less than £50,000 (Secondary/BDAT)** - three written quotations are required to identify the best source of the goods/services. Written details of quotations obtained should be prepared and retained by Academy Business Leaders for audit purposes and approved by the Head Teacher/Principal
- **orders over £25,000 but less than £75,000 (Primary)** - all goods/services ordered with a value over £25,000, or for a series of contracts which in total exceed £25,000, must be subject to three written quotations and must be referred to the respective Finance Committee for formal approval
- **orders over £50,000 but less than £75,000 (Secondary/BDAT)** - all goods/services ordered with a value over £50,000, or for a series of contracts which in total exceed £50,000, must be subject to three written quotations and must be referred to the respective Finance Committee for formal approval
- **orders over £75,000** – will be subject to a tendering procedure

The academy budget holder or the Academy Business Leader must make appropriate arrangements for the delivery of goods and services to the academy. On receipt of goods and services there must be a detailed check of the goods and services received against the purchase order (or equivalent in exceptional circumstances). All discrepancies should be discussed with the supplier of the goods and services without delay.

All invoices should be sent to the Academy Business Leader to be checked against the PSF numbered order (or equivalent in exceptional circumstances) and the delivery note to evidence the following:

- *invoice arithmetically correct*
- *goods/services received*
- *goods/services as ordered*
- *prices are correct.*

In order to maintain central control of the funds, once announcement of allocations have been received, the Academy Business Leader must make appropriate arrangements to obtain competitive quotations and complete an Annex B. Orders must not be placed until full approval is in place. Orders will be placed by the central finance team. All invoices, once checked as above, are to be passed to the central finance team for payment. The central team will account for the payment within the individual school accounts within PSF.

See SCA bidding process plan for Trustee approved projects.

Developing the Programme

This policy will provide a programme of works that will allow individual schools to know when they can expect to have funding for specific projects.

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 in order to avoid emergency works. DFC allocations will be considered as part of this process and schools are encouraged to prioritise spend in a joined-up way across the funding streams available: SCA, DFC and surplus

revenue. It is recommended that schools should identify their plans to allocate DFC in full prior to applying for additional SCA either to top up a project, or fully fund a lower priority scheme in school once DFC has been expended. As such, the Finance and Resources Committee (FARC) will agree the schedule of approved works. Funding decisions will be reviewed annually by the FARC to monitor effectiveness of spend, reserves balances, and satisfaction within the Trust.

It is the role of the Deputy CFO to oversee this programme, reporting to the Chief Financial Officer.



ANNEX A TO SCHOOL CONDITION ALLOCATION POLICY

APPLICATION FOR SCHOOL CONDITION ALLOCATION (SCA)

****Academy Business Leaders must consult with the BDAT Head of Estates prior to submission of the Annex A. This is to assist the academy with the preparation of specifications and highlight any planning requirements.**

Name of Academy		
Project Title		
Description of Project		
Reason for project		
Has the BDAT Head of Estates been made aware of the project	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Project Category	Please tick	✓
Category 1 - Compliance: Health & Safety and Building Compliance; fire protection, gas and electrical safety, emergency asbestos work, legionella, safeguarding, etc		
Category 2 - Condition: Building Condition: roofing and weather tightness, structural weakness, heating or other pipework failure		
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		
Environmental Sustainability: Projects in line with BDAT's Climate Change and Environmental Sustainability Strategy.		
Estimated total cost of project including all fees:	£ Please state how cost estimate achieved e.g quote, external evaluation:	
Will the project be match funded from DFC or reserves? If yes, please state source and amount of match funding	£	

Total bid amount (Cost of project -match funded amount)	£	
Proposed start date		
Duration of project		
How will the project be managed	Please tick	✓
	In house with support from BDAT Head of Estates	
	Consultants	
	Other. Please State:	
Is the project linked to the:	Please tick	✓
	Academy Development Plan	
	External fire risk assessment	
	Asbestos survey	
	External condition survey	
	Other external compliance assessment. Please state:	
Does the project require:	Please tick	✓
	Planning Permission	
	Listed Building Consent	
	Diocesan Approval	
	LA Building Approval	
If required, has planning permission been achieved prior to submitting the Annex A:		
Total cost inc fees		
Authorisation of application		
Headteacher signature and date		
Business Manager signature and date		

Completed forms must be uploaded to the Annex A file on the BDAT SCA launchpad.

ANNEX B TO SCHOOL CONDITION ALLOCATION POLICY

PROJECT INFORMATION FORM

To be completed by the Academy				
Is the scheme value below £10,000.00 YES / NO				
If Yes , please complete Abridged Annex B and return with the relevant supporting information: - specification, plans, quotation, statutory approval notices, new supplier form, supplementary information, Diocesan and LA forms. If you chose not to appoint the lowest quote you must also complete the supplementary page				
Schemes over £10,000.00				
Name of Academy				
Project Title				
Project Details				
Date work due to start on site		Anticipated date work due to finish		
Three Lowest Quotes				
New Supplier Form Required		Yes / No		
Contractor's Name		Net Amount (excluding VAT)		
1.		£		
2.		£		
3.		£		
Provisional sums Contingencies (Please ensure these sums are contained within the agreed financial liabilities overleaf)		PS. £		
		C. £		
Financial Liabilities	1	2	3	
	Capital (SCA)	Capital (DFC)	Other Funding	Total Project Costs (1 + 2 + 3)
A Building Works	£			£
B Professional Fees	£			£

C Diocesan Fee for CofE Schools	£			£				
D Furnishings, Fixtures & Fittings	£			£				
E TOTAL (A to D)	£			£				
Professional Fees and Expenses								
	Value £		Value as a % of building cost					
A Architect	£							
B Quantity Surveyor	£							
C Principal Designer (CDM)	£							
D Other (please specify)	£							
E SUB TOTAL (A to D)	£							
F Insurance	£							
G Building Regulations	£							
H Planning	£							
J SUB TOTAL (F to I)	£							
K TOTAL (E + J)	£							
CDM Responsibilities								
<p>The Governing Body have the responsibility to appoint, where appropriate, a consultant who holds Professional Indemnity Insurance. If the Governing Body does not appoint a consultant, they must also sign the Governing Body/Consultant declaration below as full responsibility and Principal Designer Duties under CDM Regulations will fall to the Academy Business Leader to fulfil.</p> <p>I/We certify that this form is correct, and the project complies with the statutory requirements below:</p> <ul style="list-style-type: none"> • <i>Education (School Premises) Regulations 2012 and the revised Education (Independent School Standards) Regulations 2014;</i> • <i>The Workplace (Health, Safety and Welfare) Regulations 1992, as amended by the Quarries Regulations 1999, the H&S (Miscellaneous Amendments) Regulations 2002, the Work & Height Regulations 2005;</i> • <i>Buildings Regulations 2010;</i> • <i>Equality Act 2010;</i> • <i>Construction (Design and Management) Regulations 2015;</i> 								
To be completed by the Chair of Governing Body								

Name _____ Signed _____ Position _____ Date _____
To be completed by an Authorised Person on behalf of the Governing Body (If the Chair of Governors' has signed on the previous page, please ensure the Headteacher signs in this box)
<p>We have agreed the project with the Local Authority including, where applicable, their financial liability, building onto designated playing field land and:</p> <ul style="list-style-type: none"> The LGB of the School have been consulted YES / NO The application complies with the <i>Diocesan Board of Education Measure 1991</i>, <i>CofE schools only</i> NA / YES / NO <p>This is our authorisation for the expenditure of funding by the academy.</p> <p>Signed _____ Date _____</p> <p>Full Name _____ Position _____</p>
Documents to forward with this form
1. Quotes
2. Diocesan Project Authorisation Form for CofE schools only
3. Plans and Specifications
4. Supplementary Information (if applicable)

Supplementary Information, including rational if not appointing lowest contractor.

ABRIDGED ANNEX B TO SCHOOL CONDITION ALLOCATION POLICY

ABRIDGED PROJECT INFORMATION FORM

Capital schemes below £10,000.00			
Name of Academy			
Project Title			
Value of Scheme			
Name of Contractor (s)			
New Supplier Form required	YES / NO		
Statutory Fees	Planning	£	If Applicable
	Building Regs	£	If Applicable
	Diocese	£ YES / NO	If Applicable
Total Scheme Cost Inc. Fees	£		
Funding Source	SCA		£
	DFC		£
	Revenue		£
	Other Gant		£
Academy Declaration	I confirm compliance with the declarations stated within Annex B for procurement, CDM, statutory duties and insurance.		
Business Manager name and Signature			Date
Head/Principal name and signature			Date

ANNEX C TO SCHOOL CONDITION ALLOCATION POLICY

REVENUE CONTRIBUTIONS TO CAPITAL OUTLAY (RCCO)

To be completed by the Academy	
Name of Academy	
Project Title	
For schemes under £10,000 obtain at least one quotation. For schemes over £10,000 3 written quotations must be obtained and included with this form	
New Supplier Form Required	Yes / No
Contractor's Name	Net Amount <i>Please add comment if you are not taking the lowest quotation and Why?</i>
1.	
2.	
3.	
Breakdown Of costs	*Any Building or Compliance requirements may require Annex "A" or "B" to be completed
A Building Works *	£
B Professional Fees	£
C IT Equipment	£
D Furnishings, Fixtures & Fittings	£
E TOTAL	£
Approval	
Headteacher	
Name _____ Signed _____ Date _____	
Business Manager	
Name _____ Signed _____ Date _____	
Chair of Governing Body (for all projects over £50,000 (Secondary) and £25,000 (Primary))	
Name _____ Signed _____ Date _____	
N. B. If over £10,000 please attach copies of your quotations and follow with a copy of the invoice For projects under £10,000 please forward copies of invoices following payment	