



**Interaction &
Communication**

Academy Trust

ICAT Capital Allocation Policy

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Introduction

Trusts are expected to have a suitable plan that demonstrates the strategic use of the allocated funds across their estate and will have to report to the ESFA on their use of capital funds during and at the end of the financial year.

Therefore, schools within the Trust should ensure that there is a clear link to their proposed capital expenditure in their school development plans and the school Condition Improvement Survey. This should include consideration of any Health & Safety issues, property condition as well as any other school development priorities.

In order to account for capital changes correctly, all planned capital expenditure greater than £5,000 as per the Trust Financial Procedure policy should be captured on a 'Project Proposal Form' (see appendix 1) and submitted to the ICAT Central Team prior to any expenditure. On receipt of a completed form, the ICAT Central team will present the proposal to the Board of Directors who will authorise one of the following actions:

- Request further information or contest the request
- Agree in principle and propose the school use its own capital
- Agree in principle and propose the type of capital funding which is most appropriate

The types of capital funding available to Multi Academy Trusts are listed below.

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 £11.25 per student.

Allocations for each academy will be transferred directly to the academy without any adjustments.

The funding will be used to maintain buildings and to fund small scale capital projects.

School Condition Allocation (SCA)

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 Trust does not meet the criteria and therefore this funding is not currently received.

Condition Improvement Fund (CIF)

The Condition Improvement Fund (CIF) is an annual bidding round for eligible academies, sixth-form colleges and voluntary aided (VA) schools to apply for capital funding. The priority for the fund is to address significant condition need, keeping

education provider buildings safe and in good working order. This includes funding projects to address health and safety issues, building compliance and poor building condition.

CIF also supports a small proportion of expansion projects. These are for academies, sixth-form colleges and VA schools rated good or outstanding by Ofsted that can demonstrate a need to expand.

Each school has undergone a Condition Improvement Survey (CIS) which outlines the priority CIF bid applications for the next 10 years. All CIF bid applications must be made via the Trust Central Team and, unless they are unforeseen or are of an emergency nature, will be directed by the CIS.

Appendix 1

Project Proposal Form

The project plan template has been designed to capture the essence and fundamental requirements of a proposed project without being too onerous or time-consuming.

The Trust require the information to ensure we meet our financial, legal, and statutory responsibilities. The Trust want to work with the schools to support their projects and assist them in achieving their vision, whilst reporting, procuring, and financing the projects to the required standards as set out by the Department of Education and ICAT's funding agreements.

Date	Submitted by:	Role

The Project:

Please provide a short explanation describing the problem this project aims to solve or the opportunity it aims to develop.

Benefits:

Please outline the anticipated benefits that this project will bring to the organisation.

Approach:

Detail the anticipated process/timeline.

What support is required from the ICAT Central Team or external consultants.

Total Anticipated Cost of Full Project:

Full breakdown of anticipated costs, to include building works, legal, equipment, resources, consultancy, software, staff time

Source(s) of funding:

e.g. CIF Bid with/without school contribution, fundraising (charity), school funds, ICAT reserves (please explain in what circumstances ICAT reserves would be appropriate)

Breakdown of Costs:

Detail the anticipated financial contributions e.g. how much will be school funded, how much will be grant will funded, how much will be fund raised, etc.

Limitations:

List what could prevent the success of the project, such as the need for expensive equipment, bad weather, lack of special training, etc.

