Assets & Capital Funding Policy

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"Learning together, to be the best we can be"

Aims

1.1. This policy defines our approach to funding capital projects in support of our wider strategic objectives and our statutory duties linked to asset management.

1.2. It sets out:

1.2.1. The overall approach to assets and capital projects;
1.2.2. The aims and objectives of utilising capital funding within Nexus MAT;
1.2.3. Procedures in relation to funding capital projects.

2. Assets & Capital Vision & Strategy

Vision

2.1. Our estate must support and enhance the educational experience of all pupils by providing safe, sustainable, and state-of-the-art facilities. Our estate vision aligns with our educational vision of "Learning together to be the best we can be," ensuring every academy within our trust has the infrastructure necessary to foster educational excellence and community engagement.

Assets & Capital Strategy

2.2. Assets & capital strategy is covered in our Infrastructure Strategy - a medium-term strategic document that outlines the key activities and potential options for achieving our estate vision. This strategy is supported by a three to five-year budget plan and covers the entire MAT estate, allowing for local influence based on the unique context of each academy.

Asset Management Plans

2.3. The asset management plan is an academy level, short to medium-term plan detailing and prioritising the actions needed to fulfil the infrastructure strategy. Each academy will have a specific plan, overseen centrally by the trust. A trust-wide asset management plan ensures consistency and informs day-to-day operational activity, which is recorded in a maintenance plan.

Maintenance Planning

2.4. The maintenance plan schedules a list of works to be undertaken each year, aligned with capital priorities and based on a thorough understanding of estate conditions. Each school will have specific requirements and challenges for maintenance and repairs, including long-term maintenance plans for issues such as RAAC or asbestos management.

3. Approach to Assets & Capital Projects

3.1. Our assets and capital projects are aligned around three areas of work:

3.1.1. **Estate Management**: Nexus MAT aligns with the government's Good Estates Management guidance for schools. We carry out regular condition surveys across the estate and align the outcomes with regular health & safety audit processes to develop asset management plans for every site and building.

3.1.2. **Sustainability**: we are committed to sustainability and our journey to net zero – therefore we will prioritise specific projects to support this journey and ensure that all projects are managed to maximise potential benefits.

3.1.3. **Responsible Civic Structure**: we see ourselves as a positive element of the civic structures in the places where our schools are located – therefore, we will work to develop our assets in line with local needs and priorities.

3.2. Our schools will be supported as we work in partnership to ensure that our estate is maintained and developed to offer our families positive learning environments.

4. Sources of Capital Funding

4.1. Nexus MAT receives annual allocations of capital funding from the government in the form of Devolved Formula Capital (DFC) and School Condition Allocation (SCA). We also hold capital reserves and these are managed in line with our policies and procedures.

4.2. This policy applies to all proposals to utilise Trust capital funding. Smaller projects and ongoing maintenance will be managed by schools and we anticipate that only in exceptional cases would a proposal under this policy fall below a total cost of £25k.

4.3. There may be other capital funding streams available to the Trust, for example through bidding processes, such as ones linked to sustainability, or via direct funding from other agencies, such as local authorities. Those bids would be developed and managed in line with the principles and priorities in this policy where applicable, notwithstanding the requirements of each specific funding opportunity. However, the would not require approval as per the procedures outlined in this policy, given the projects will directly link to grant award conditions

5. Prioritisation of Capital Funding

5.1. Everything that we do should ultimately link to our defined objectives published in the 5 Year Nexus MAT Strategic Plan and the annual strategic business plan. Therefore every proposal considered under this policy should be able to demonstrate how it aligns and supports those objectives.

5.2. The following descriptions are focussed more specifically on capital and assets work. They are linked to the funding prioritisation schemes developed nationally by the government and give an overview of the types of scheme that would be prioritised through the process outlined in the section that follows.

Highest priority level

5.3. Projects addressing legislation compliance, health & safety and critical replacement of fossil fuel heating systems with low-carbon alternatives – where there is a risk of school closure, including:

5.3.1. Building safety matters, including, but not limited to, dangerous structures, Laingspan and Intergrid system builds.
5.3.2. Emergency & managed asbestos removal to facilitate essential works.
5.3.3. Gas safety. With additional priority given to schemes that also support a transition to net zero.
5.3.4. Electrical safety.
5.3.5. Water services (hot and cold) and drainage.
5.3.6. Ventilation/air quality and thermal comfort. Ventilation projects need to evidence how the issue may close parts of the school unless rectified. It is unlikely that a project to replace windows will be classed as ventilation.
5.3.7. Fire safety.
5.3.8. Security and safeguarding. Security fencing projects should be linked to a significant health & safety or safeguarding issue.

High priority level

5.4. Life expired condition replacement – where there is a risk of complete or partial school closure, including:

5.4.1. Building structure – e.g., structural and weather tightness.
5.4.2. Mechanical systems. With additional priority given to schemes that also support a transition to net zero.
5.4.3. Electrical systems.
5.4.4. Utility capacity and connections

5.5. Broader strategic objectives:

5.5.1. Contribution to sufficiency projects that have secured, or will, external funding sources, but require a Trust contribution to make viable and this is in the long-term interests of the school/Trust as well as the additional pupils that it would serve.

5.5.2. Projects that are in line with Nexus MAT's published strategic objectives that cannot be funded from alternative sources.

Medium priority level

5.6. Life expired condition replacement, including:

5.6.1. Building fabric – internal or external.

5.6.2. Structural defects.

5.6.3. Mechanical systems. Where fossil fuel boilers and heating systems are proposed to be replaced with zero carbon options, these will be prioritised, but the need for life expired condition replacement must still be demonstrated.

5.6.4. Electrical systems.

Low priority level

5.7. Special functional areas of the school below current standards, including:

5.7.1. Whole block.

5.7.2. Basic teaching (i.e. areas within a school in need of basic upgrading e.g. painting/decorating etc.)

5.7.3. Large spaces, studios, dining and social.

5.7.4. Kitchen – these refurbishments would usually be linked to a health & safety issue flagged through health & safety audit processes.

5.7.5. Plant.

5.7.6. Learning resources areas.

5.7.7. Staff areas.

5.7.8. Storage.

5.7.9. Changing and Toilets - Toilet refurbishments would usually be linked to a health & safety issue flagged through health & safety audit processes.

5.7.10. Circulation.

Lowest priority level

5.8. Other works: we would seek a clear condition and value for money case. This might include:

5.8.1. Accessibility improvements (teaching and non-teaching).

5.8.2. Building fabric (non-teaching, e.g., external sports equipment stores etc.).

5.8.3. Mechanical and electrical systems (non-teaching).

All Schemes

5.9. In addition to the prioritisation given to different types of scheme as outlined above, all schemes must demonstrate adherence to standard project management best practice and outcomes – viable schemes that should be risk assessed and have a high likelihood of meeting their set objectives, within a defined budget and timeline, and to a high quality.

6. The Process for Accessing Capital Funding

6.1. In order to ensure a fair, open and consistent process, executive leaders will consider all proposals from within Nexus MAT in line with this policy. All proposals should come through Transformation Board at the earliest opportunity, using the proforma attached. This process will be facilitated by the central projects team and can be accessed by any school at any time. Where appropriate, projects will be considered together as part of medium-term planning and may therefore be approved as part of that programme for a future date, rather than immediate implementation.

6.2. The Trust assumes the responsibilities and duties of the commercial client in any relevant construction project relating to any academy.

APPENDIX 1: Proposal Proforma

CAPITAL FUNDING PROPOSAL

NAME OF PROJECT	
ESTIMATED COST	
SOURCE OF FUNDING	
DATE OF PAPER	
TARGET COMPLETION DATE	
PROJECT LEAD	
PROJECT SPONSOR	

1. Intent

1.1. WHAT IS THE PROJECT & WHY IS IT NEEDED?

[*Brief outline*]

1.2. ALIGNMENT WITH NEXUS MAT STRATEGIC OBJECTIVES

[Increasing quality of provision; Partnerships to better meet need; Financially Viable, Sustainable & Ethically-Driven]

1.3. ALIGNMENT WITH CAPITAL/ASSETS PRIORITIES

[Condition Survey; Health & Safety Audit; Capital Funding Policy prioritisation levels]

1.4. ALIGNMENT WITH TRANSFORMATION PRINCIPLES

[*High Quality, Cost Effective, Timely, Sustainable, Integrated, Compliant*]

2. Details of the Project

2.1. COSTS

[*Estimates, where should it being funded from, any contributions from elsewhere*]

2.2. IMPLEMENTATION

[*Brief description of how the project will be implemented and any resource/capacity requirements now and in the future beyond the up-front costs*]

2.3. ALTERNATIVE OPTIONS

[*List of alternative options (incl do nothing)and the headline pros/cons of each*]

3. Implications

[*Briefly outline any further implications – legal (incl planning, landlord permissions, land transactions), financial, HR, communications, other*]