



Education
Funding
Agency

Academies Capital Maintenance Fund 2014 to 2015

Round 1 information for applicants

November 2013

Contents

Summary	4
About this information	4
Expiry or review date	4
Who is this information for?	4
Key points	4
1.0 Introduction	5
1.1 New for ACMF 2014 to 2015	6
1.2 Programme priorities and assessment criteria	6
1.3 Timescales	7
1.4 Application Process	7
1.4.1 Project Documentation	8
1.5 Before you apply	8
1.5.1 Building condition survey	8
1.5.2 Options appraisal	9
1.5.3 Asbestos management survey	9
1.5.4 Technical advice	9
1.5.5 Quote for the works	9
1.5.6 Understand the impact on the academy during the project	9
2.0 Academy Information	10
2.1 Eligibility	10
2.2 Prioritisation	11
2.3 Multi-academy trust ACMF allocation arrangements	11
3.0 Project Types	13
3.1 Condition projects	13

3.1.1 Boiler and heating system projects	14
3.1.2 Safeguarding projects	15
3.1.3 Improvements to play and sport spaces	15
3.2 Expansion project arrangements	15
3.2.1 Information required to support a case for expansion	16
3.2.2 Data required for expansion projects	16
3.2.3 Maximising the impact of an expansion project	17
3.2.4 Supporting expansion in areas of demographic growth	17
3.2.5 Age range expansion projects	18
3.2.6 Revenue Implications	18
4.0 Application form	19
4.1 Project Outline	19
4.2 Outputs to be achieved (50% weighting)	19
4.2 Value for money (30% weighting)	20
4.2.1 Professional fees	21
4.2.2 VAT	22
4.2.3 Deadlines for spending funding	22
4.3 Deliverability (20% weighting)	22
4.3.1 Planning and other approvals	23
5.0 Fund arrangements	24
5.1 Payment of grant to successful projects	24
5.2 Indicative payment profiles	24
5.3 Monitoring and evaluation	25
5.4 Audit arrangements	25

Summary

About this information

The Department for Education will provide an Academies Capital Maintenance Fund (ACMF) for academies to access in the 2014 to 2015 financial year (April 2014 to March 2015).

This information is designed to aid applicants and those applying on their behalf to apply for the first round of the ACMF 2014 to 2015 and is set out in sections relevant to the application form. It also explains the new arrangements for eligibility and allocations for multi-academy trusts with 10 or more academies.

Expiry or review date

This information is specifically for the first round of ACMF 2014 to 2015. Separate information will be issued for any future rounds.

Who is this information for?

This information is for:

- Academies
- Academy Trusts
- Schools with a signed academy order as of 1 December 2013
- Technical advisors

Key points

- Academies can apply for up to two projects to tackle building condition issues or expand facilities.
- Applications will be submitted through the online application portal.
- The deadline for spending funding is 31 March 2015 for one year projects and 31 March 2016 for a limited number of two year projects.
- The maximum funding available per project will be limited to £4 million.
- The deadline for the submission of applications will be the end of January 2014 and we expect to announce successful projects in April 2014.
- Multi-academy trusts with 10 or more academies will receive a formulaic ACMF allocation for 2014 to 2015 instead of their academies applying in this round.

1.0 Introduction

The Department for Education will provide an Academies Capital Maintenance Fund (ACMF) for open academies to access in the 2014 to 2015 financial year (April 2014 to March 2015). The size of this fund will be announced in due course and will be calculated on the same basis as the maintenance allocations to local authorities for maintained schools. A small amount of 2015 to 16 funding may also be agreed to allow a limited number of projects to run over two years.

The majority of the fund will be allocated following the Round 1 application process. Due to demand this is expected to be highly competitive; in the last round only about 40% of applicants were successful. Applicants must demonstrate both a strong case for the investment in line with the programme priorities and present an effective, efficient and deliverable project to address the identified issues.

A portion of the fund will be provided for multi-academy trusts (MATs) with 10 or more academies that choose to receive a formulaic funding allocation to deploy strategically across their estate for 2014 to 2015. Academies within such MATs cannot apply to the ACMF 2014 to 2015 Round 1.

The majority of the Round 1 funding will be awarded to projects that address building condition issues. Such projects refurbish or renew key building elements, such as roofs, windows and toilet areas and/or address compliance issues such as fire protection systems, electrical upgrades or asbestos removal. Where individual element replacement would not provide good value for money, Round 1 can support the complete refurbishment, or replacement of key blocks.

A smaller amount of Round 1 funding will be awarded to support the expansion of popular and successful academies.

Although the maximum project limit is £4 million, the average ACMF project in recent years has been below £400,000 and applicants are encouraged to prioritise strongly their needs to keep the value of their projects down. We anticipate that few applications at the higher end of the funding limit will be successful. We expect that projects below £5,000 be funded through Devolved Formula Capital or general maintenance funding.

We intend to run a second round of ACMF 2014 to 2015 and details will be announced later in 2014. Other ACMF allocations will be made on a case by case from a very limited emergency fund; applicants should go through one of the main ACMF rounds if they are eligible.

1.1 New for ACMF 2014 to 2015

- Extended eligibility – schools with academy orders can submit an application prior to conversion. No ACMF monies will be paid until the conversion process has been completed.
- Upper limit for funding (£4 million) – academies requiring over this amount should split the project into more than one phase or consider alternative sources of funding.
- We are considering a new approach for boiler / heating projects using 0% interest Salix loans and ask academies to express interest in this approach in order for us to determine the scale of the demand.
- Clarification of requirements and assessment priorities for expansion schemes.
- Extending the multi-academy trust allocation – all trusts with 10 or more academies will be able to receive a capital allocation to use across their estates.

1.2 Programme priorities and assessment criteria

There are two priorities for the fund:

1. Tackling building condition issues including health and safety issues that cannot be met from routine maintenance or Devolved Formula Capital funding.
2. Supporting popular, successful academies that wish to expand their existing facilities and floor space to accommodate more pupils within their existing age range and/or are currently overcrowded.

We advise academies to ensure that their application meets one or both of these programme priorities. We expect to allocate approximately 15% of funds towards the expansion priority, in line with previous years. We anticipate that there will be significant demand for the funds available. Past rounds have been at least three times oversubscribed and we anticipate that this will continue.

We will assess all the projects for compliance with the eligibility criteria and project requirements, and against the application criteria, taking into account the submission, supporting information and any other information that is available to the EFA. The weighting for the application criteria is as follows:

Application criteria	Weighting
Outputs to be achieved	50%

Value for money	30%
Deliverability	20%
Total	100%

1.3 Timescales

The key milestones for the first round of ACMF 2014 to 2015 are as follows:

Action	Date
Information available on website	Friday 15 November 2013
Online application portal opens	By Friday 13 December 2013
Recommended target date for submitting applications	Tuesday 28 January 2014
Deadline for submitting applications	Friday 31 January 2014 at 12:00
Target date for notifying successful projects	By Friday 25 April 2014

Academies are encouraged not to leave submission of applications to the final few days. We recommend that applications are submitted by the target date to avoid missing the deadline due to IT problems, etc.

Applications not formally submitted by the deadline will not be assessed. It is the responsibility of the academy or its representatives to ensure any draft applications saved on the system are submitted and acknowledged by the deadline.

1.4 Application Process

Academies can only submit their application online via the secure website:

<https://www.education.gov.uk/efacapital/portal>

Hard copies or email versions will not be assessed unless advised otherwise.

Applications can be submitted by:

- The academy
- School with a signed academy order as of 1 December 2013
- Academy sponsor or trust
- Appropriate representative of the academy, such as a technical advisor

All academies that are part of a multi-academy trust should contact their trust before preparing or submitting an application. Only one application is permitted per academy. If an academy submits two projects they must be within the same application form. Individual institutions are responsible for ensuring that duplicate or multiple applications are not made.

Please note that the secure website will go live **BY FRIDAY 13 DECEMBER 2013**. Applicants will then be able to register, log on, complete, save, retrieve and submit their application prior to the application deadline.

Academies that have previously registered on the site can use their original login details. New users will need to register before starting their application. If you have difficulties accessing or using the site for any reason, a user guide will be made available on the website once the application form is live. If you have any further difficulties, email: ACMF2012.EFACAPITAL@education.gsi.gov.uk

1.4.1 Project Documentation

Applicants can upload one ZIP file of supporting qualitative and quantitative information of **up to 3Mb per project** to support the case presented. ZIP files larger than 3Mb per project will be rejected and the application form may not be assessed.

As a guide, we expect supporting information for most projects **not to exceed eight pages**.

1.5 Before you apply

Over the years we have gathered lessons learned from previous ACMF rounds and distilled them into top tips for preparing ACMF applications as set out below.

1.5.1 Building condition survey

We allocate most ACMF funds to address building condition issues (85% of the Round 1 allocation), and prioritise works that need to be done urgently. An up to date survey will highlight the urgency of addressing building issues across the site and help you to build your case for funding. Projects that are not urgent will need to demonstrate excellent value for money and/or deliverability. We will look to prioritise replacement of items that have actually failed and can provide evidence from a suitable professional that a repair is not possible and/or more expensive than a replacement.

1.5.2 Options appraisal

We need to know that projects have been well thought through, repairs have been considered rather than simple replacement and risks considered appropriately. A brief but thorough options appraisal (including a do nothing option) will help build the case for your proposed project.

1.5.3 Asbestos management survey

Discovering additional asbestos once work has begun is the most common reason for delay or cost over runs to ACMF projects – once we have made an allocation, we can only increase it in exceptional circumstances. An up to date survey will help you to understand the risks and your responsibilities around asbestos and gives potential contractors a useful reference point when they are providing a quote for works.

1.5.4 Technical advice

For larger projects most academies will need to draw on technical advisors to develop the feasibility study and detailed design, secure planning approval, oversee procurement and manage the project. You may wish to get advice about specifications of particular products if you are managing smaller projects in house so you do not waste money on items, such as windows etc, which will fail in five years' time.

1.5.5 Quote for the works

Including quotes rather than estimates helps to build our confidence in the costs you are presenting and indicates that the project is close to being ready to go. Academies are responsible for procuring works and securing good value for the public purse.

1.5.6 Understand the impact on the academy during the project

If you need to manage work being done on site during term time, you need to understand the key issues and risks, particularly if the works require more than one contractor on site at one time. Consider as far as possible whether there are ways to avoid expenditure on temporary accommodation as this will erode the value for money case for the project.

2.0 Academy Information

The applicant must check that they and their project are both eligible before applying.

2.1 Eligibility

- **Round 1 ACMF 2014 to 2015** – up to two building condition and/or expansion projects at:
 - academies open by 1 December 2013
 - or
 - schools with a signed academy order at 1 December 2013

- **Round 2 ACMF 2014 to 2015** – for one building condition project only at:
 - academies that open from 2 December 2013 to 1 June 2014 that did not apply in Round 1
 - or
 - schools with a signed academy order at 1 June 2014

Applications to the ACMF must:

- Be submitted by, or on behalf of, an eligible academy or school with a signed academy order. Academies in multi-academy trusts that opt to receive a formulaic allocation are not eligible to bid to the fund (see section 2.3).
- Request capital funding between £5,000 and £4 million per project.
- Ensure projects are deliverable by 31 March 2015 (for projects requesting funding over one financial year) or by 31 March 2016 (for projects requesting funding over two financial years).
- Involve the purchase or improvement of an asset used for educational provision for 3 to 19 year olds owned or secured on a long lease.
- Be submitted via the online application form by the deadline set out in information.
- Not involve investment in ICT software or hardware, as this should be funded from other sources. Limited funds will be available for ICT infrastructure only as part of larger scale replacement or expansion projects.
- Include a feasibility study as part of the supporting information for projects requesting over £1 million.

In addition, academies wishing to apply for expansion funds will need to:

- Be judged as good or outstanding by Ofsted in their most recent inspection.
- Be performing above the relevant floor targets.
- Provide evidence that the demand for places exceeds the number of places available.

2.2 Prioritisation

We will take into account historical funding when considering the prioritisation of projects following assessment. Academies which have recently received, or are due to receive, significant capital investment in new building or refurbishment works through this programme or the following other Departmental capital programmes are unlikely to be prioritised unless a strong case for investment has been presented:

- Priority Schools Building Programme (PSBP)
- PFI
- Targeted Basic Need Programme (TBNP)
- Building Schools for the Future (BSF) or Academies modernisation
- Free Schools, UTC or Studio Schools

2.3 Multi-academy trust ACMF allocation arrangements

Following positive feedback from the multi-academy trusts (MATs) who have participated in the pilot scheme, we have extended the scheme for 2014 to 2015. Trusts with at least 10 academies as of 1 December 2013 (including those schools with a signed academy order) will have the option to receive a capital funding allocation for all their academies for the 2014 to 2015 financial year.

The allocation is based on pupil numbers per academy within the trust, multiplied by a per pupil rate and then weighted on the scale of recent capital investment on that site. However, MATs do not have to direct their funding according to the amounts identified per academy in the formula used for calculating their ACMF allocation.

We will inform eligible trusts of their indicative allocation by 20 December 2013.

Benefits of receiving a MAT allocation:

- The trust can prioritise capital works across their estate for the 2014 to 2015 financial year
- Lump sum capital funding can help the trust to plan and budget more effectively

- Flexibility of funding deployment (within the terms of the ACMF Funding Agreement)
- Potential cost savings by grouped procurement of works

By accepting the MAT allocation, the trust must inform their academies that they cannot apply in ACMF 2014 to 2015 Round 1 or Round 2. Academies from eligible trusts will be reminded if they fill in an application form, to check with their trust before proceeding. If submitted, these applications will be discarded at the assessment stage.

Applications for emergency funding from these academies outside of the application rounds will only be granted in exceptional circumstances – we expect the trust to prioritise and plan effectively across their estate.

Eligible trusts must inform the EFA by 17 January 2014 if they wish to opt out of their MAT allocation. Trusts that opt out will then have until 31 January 2014 for their academies to submit separate ACMF applications.

Trusts who believe that they qualify for these arrangements but have not received an indicative allocation by 21 December 2013, should contact us immediately.

Further information for MATs is available [here](#)

3.0 Project Types

As well as having a building condition issue, or a case for expansion, applicants to the ACMF need to have an appropriate, cost effective and deliverable capital project scoped to address the identified issue.

We do not expect applicants to spend significant time and money in preparing bids to the ACMF beyond that required to discharge an academy's responsibilities for managing their site effectively. Evidence submitted should be proportionate to the scale of the project; we expect information that is more robust for a project requesting £100,000's than one requesting £10,000. For projects requesting over £1 million, a feasibility study should be submitted as part of the supporting evidence.

3.1 Condition projects

We will target the majority of funds available through the ACMF to address building condition issues across academies. We will give priority to addressing the most urgent issues – where there are significant health and safety concerns, or where the issues need to be tackled in a timely manner to prevent closure of a particular block or part of the academy.

Most condition projects should use information from detailed building surveys, commissioned by the academy to evidence the condition issues and demonstrate their urgency. Academies should not rely on access to the data currently being collated across the entire school estate through the Property Data Survey Programme commissioned by the EFA, as this work is on going. Such data may also not be sufficiently detailed to underpin the development and delivery of all types of projects funded through this programme.

The applicant should use other sources of independent evidence where necessary to demonstrate the nature and extent of the building condition issues, or addressing health and safety concerns by the proposed project; a fire officer's report recommending remedial work carries more weight than recommendations about an academy's compliance with latest regulations from a fire alarm salesman. The applicant should also provide robust technical and cost information demonstrate the case for removing asbestos, rather than encapsulating it appropriately.

In developing a project academies may wish to prepare a short **options appraisal** and submit this as part of the supporting information, setting out the thought through alternatives before working up the preferred option. In some cases the complete replacement of a block will be the best value solution. In other cases the refurbishment of windows, roofs or the mechanical and electrical systems within a building can address the identified issues in a far more cost effective manner. Options appraisals can also

support the case for simpler projects as the costs of piecemeal repairs may be higher. For larger schemes, a more detailed feasibility study is required to support the application.

Academies should consider the specification of key items, such as windows, insulation etc., and choose products that are appropriate to their circumstances and likely usage, securing independent advice if/as appropriate.

For a new build project, reference should be made to the baseline designs. These have been costed at approximately £1,500 per square metre (including relevant professional fees, abnormals etc). We will use this benchmark during assessment of the overall cost of a development and will reward those projects that can secure good value for money. We will expect to see additional evidence to explain if a project costs significantly more than this benchmark but still represents good value – site-specific factors, planning constraints and the nature of proposed facilities (e.g. facilities for SEN pupils) can significantly push up costs, and we will consider this if/as necessary.

3.1.1 Boiler and heating system projects

This year, we are looking at the potential of working in partnership with Salix Finance to provide a portion of the ACMF 2014 to 2015 to support heating system replacements at academies. Through granting an interest free loan, repaid over five to eight years through the energy savings arising from such works, we think we could fund more schemes. Recycling the loan repayments would allow us to free up capital funds in the future for use on other projects.

Working closely with Salix Finance, we would still have a clear focus on replacing the boilers and heating systems in the worst condition, but hope that through this approach, we could fund more pre-emptive projects and secure valuable efficiency savings. Last year we were only able to fund about half the boiler replacement schemes submitted.

Before making a decision on the use of the Salix scheme, we want to assess the interest from academies for such arrangements and the numbers of academies looking to invest in their heating systems.

Institutions eligible for Round 1 intending to submit an ACMF application for boiler / heating system replacement (or expecting to need to submit an application in the future) **should consult the Salix website [here](#) to register interest, secure more details about the loan scheme and access technical advice. Please register BY 31 DECEMBER 2013.**

Applicants can still submit up to two ACMF projects in addition to any expression of interest in the Salix loan scheme.

3.1.2 Safeguarding projects

Safeguarding projects often involve provision of additional security measures, or remodelling of pedestrian / vehicle access point to the academy. As part of an options appraisal underpinning a safeguarding project we expect to see details of how the academy has attempted to address the issue through other means and evidence that the scope of works proposed is appropriate to the scale of the risk / issues. If access improvements are required, academies should work with local authority highways departments to tackle the identified issues in the most appropriate way. Academies should look to negotiate contributions for such works from other interested parties where possible.

3.1.3 Improvements to play and sport spaces

Given the anticipated demand for funding, we are unlikely to support projects looking to completely resurface playgrounds or hard play areas. While we recognise the potential trip hazards that uneven playgrounds pose, particularly at primary academies, the high cost of resurfacing large areas means that a patch repair approach to such areas should be favoured unless there is a very clear value for money case for complete resurfacing. The applicant should obtain appropriate quotes as necessary.

We are aware that a number of academies are looking to develop new sports and leisure facilities in partnership with local authorities or other organisations. Again, a full options appraisal for such projects will be required to demonstrate how such an approach provides significant benefit to the academy – possibly through avoiding hire charges elsewhere. We will give credit to projects leveraging in other sources of funding. Academies should also look to demonstrate that key stakeholder or third party agreements, required to facilitate timely delivery of the proposed project, are in place.

3.2 Expansion project arrangements

Successful, popular academies that wish to expand their existing facilities to accommodate more pupils within their existing age range and/or tackle overcrowding may apply to the ACMF for support.

In 2013 to 14, we received 373 applications for expansion projects, and were only able to fund 87 projects. This year, once again, around 15% of the fund will be made available for such expansion projects. Academies will need to demonstrate that not only do they have robust forecasts for demand for places, but that the proposed project provides additional facilities in a cost effective manner, and that the necessary infrastructure is in place to support the additional capacity.

Where a significant change to the academy is being proposed, the ACMF application can be used to provide appropriate information to EFA to streamline approval processes. The significant change guidance is available [here](#) for additional information.

3.2.1 Information required to support a case for expansion

Academies are encouraged to consider how best to make a case for the proposed expansion and include key data to support their case. This could include:

- Relevant performance data demonstrating a track record of success.
- Historical demand for places at the academy (or its predecessor school pre-conversion) – judged by the number of applications for places and/or staying on rates post-16.
- Local demographic data to indicate how recent population shifts / growth have influenced demand for places at the academy.
- Evidence of the current capacity of the academy.
- Utilisation rates and relevant details of adjustments made to the curriculum and innovative timetabling approaches to maximise the usage of the current accommodation.
- An options appraisal to justify the case for the scale and the type of additional facilities required at the academy as it grows to demonstrate the project proposed delivers the most cost effective approach to the expansion required.
- Evidence of consultation with local stakeholders, notably the local authority, and/or plans for consultation and indications of support for the proposed expansion.
- A business case setting out current and forecast revenue budgets required to underpin the planned expansion.

3.2.2 Data required for expansion projects

Applicants for an expansion project will need to set out the following data on the application form:

- Current and proposed gross internal floor area of the whole school (m²)
- Past, current and future forecasts of the number of pupils on roll (NOR)
- Current and proposed Published Admission Number (PAN)
- Current and proposed Sixth Form admission number (if appropriate)
- Historical Numbers of applications, ideally first or second preference applications if available
- Sixth Form applications (if appropriate)

- Sixth Form admissions per year (if appropriate)

3.2.3 Maximising the impact of an expansion project

Academies that wish to expand should consider how it could tackle wider building condition issues on their site through their expansion project in order to secure best value for money. For example, creating a second floor on a block, might remove the need to replace the poor condition roof separately, if this option is available.

Given the additional cost of developing specialist facilities such as science or technology blocks, the academy should consider developing general teaching classrooms and converting existing classrooms into any more specialist facilities required.

Development of new accommodation in one area of the academy could help free up space elsewhere on site. For example, a new Sixth Form block would allow converting the existing common room into additional general teaching classrooms to accommodate additional forms of entry to the main school.

As far as possible, academies are encouraged to develop strategic site development plans to underpin applications for expansion schemes.

3.2.4 Supporting expansion in areas of demographic growth

Many areas of the country are experiencing significant demographic growth in pupil numbers already; others are forecasting growth because of planned housing developments in coming years. Funds from the ACMF will be prioritised as far as possible on demand for places now, not future projected growth.

Whilst we focus ACMF expansion funds primarily on enabling popular and successful academies to expand, such expansions may also provide additional places that contribute towards the immediate demand for pupil places required in a local authority area, or particular community, for which local authorities have been allocated Basic Need funding.

In such instances, ACMF funds can be used alongside Basic Need funding provided by local authorities to ensure the prompt provision of places at popular and successful academies and secure best value for the public sector as a whole. Projects addressing demographic growth that are unable to lever in other sources of funding will not score as well as those that do. Local authorities will also have a range of data that will be useful to support an academy's application for expansion funds.

The latest round of the Demographic Growth Capital Fund to support post-16 demographic growth, closed at the end of October 2013. We will not fund expansions through both programmes.

3.2.5 Age range expansion projects

Academies that have already secured DfE/EFA agreement to changing their age range, such as by adding Sixth Form provision or moving from junior to primary age ranges, can apply for capital funding for this expansion through ACMF. We will not assess projects without such approval; appropriate evidence of the approval should be included in the submission.

3.2.6 Revenue Implications

Expanding academies will receive additional revenue funding on a lagged basis, in line with the additional pupil numbers. No transitional or exceptional funding will be made available by EFA either to manage the first year of the expansion (before the additional pupil numbers are reflected in the revenue budget) or as a result of the expected additional demand for places not materialising either initially or in subsequent years. Accordingly, the academy will need a robust business plan to manage the planned expansion appropriately, utilising reserves or other sources of funding as appropriate. The ACMF grant is a capital grant and cannot be used to cover revenue costs such as staffing.

4.0 Application form

All applications will be submitted via the online application form. The application form is a high-level document, designed to enable academies to summarise succinctly the key features and rationale behind a project, with the project documentation submitted alongside the application providing the necessary evidence.

The form is divided into four main sections, the first summarises the project and the remaining three correspond to the criteria for the fund. Additional information on costs and the proposed delivery timetable are also captured on the application form.

4.1 Project Outline

Applicants should summarise the aim of the proposed project and provide any relevant contextual information that assessors need to know.

4.2 Outputs to be achieved (50% weighting)

Applicants should provide a more detailed summary of the proposed scope of works and summarise the rationale behind the project.

Information presented could include:

- Key outputs from the project, for example:
 - floor area to be refurbished, replaced or extended
 - the number of and area of windows to be replaced
 - the numbers of pupils that have access to specialist facilities before and after the development
- Risks of inoperability, compromised health and safety, safeguarding, breach of legislation and/or of deterioration of building fabric or services.
- Urgency of the works.

Supporting information should reflect the size and complexity of the submitted project and may include:

- Photographs (not high resolution, and ideally within a PDF document) to illustrate the nature and extent of the condition issues to be addressed.
- Relevant sections of a recent building condition survey data, building development plan and professional reports demonstrating the current condition and urgency of works required. Other Professional reports may include:
 - Health and safety

- Fire Officer
- Police
- Asbestos
- Closure notice
- Site or building plans to provide appropriate context (not high resolution, and ideally within a PDF document). Detailed architectural drawings should not be submitted.
- Options appraisal or feasibility study, including consideration of a do nothing option, demonstrating how and why the proposed option provides the best solution to the identified issues.
- For safeguarding projects details should be included of how the academy has attempted to address the issue through other means.
- For expansion projects, evidence could include:
 - Historical and forecast demand for places at the academy, existing capacity constraints, local demographic trends, performance data
 - Building condition survey data to demonstrate nature and urgency of issues being addressed through the expansion project
 - Revenue funding forecasts
 - Details of local consultation taken place and/or planned
 - Options appraisal or feasibility study

Our assessment under this criterion will make a judgement about the:

- Relative urgency of the works and the (proportionate) evidence to support this.
- Scale and scope of works proposed and the effectiveness and appropriateness of the proposed scope to address the identified issues.
- Case for investment.

4.2 Value for money (30% weighting)

The value for money section on the application form should briefly describe why the costs are reasonable for the proposed outputs. High level cost information should be captured in the relevant section of the form.

Information set out in this section could include:

- Construction cost per m² or per unit.

- Details of contingencies, abnormals or other noteworthy items such as demolition or asbestos removal costs, particularly if new build rates are significantly above the baseline design rates (£1,500 per m² including fees etc).
- Benefits of the proposed development for example, energy, maintenance or rental savings. Details of procurement or other secured savings through economies of scale.
- Other sources of funding to support the delivery of the project.

The supporting information could include:

- Quotations (preferably) or estimates to evidence the costs set out. The applicant should make clear the source of this information, and a more detailed breakdown is required for higher value projects to demonstrate these have been well thought through. For larger projects, this information should be set out in the feasibility study.
- Letters of commitment from other funders for the project. We will give credit to projects leveraging in contributions from others to maximise the impact of the available ACMF monies.

Our assessment under this criterion will make a judgement about the:

- Reasonableness and robustness of the costs provided and the cashflow of expenditure where relevant.
- Extent to which the benefits, or any savings from the project, have been quantified and evidenced.
- Scale of any other secured funding to support the project.

4.2.1 Professional fees

Depending upon the nature and type of project, some projects will not incur costs against all headings set out in the Project Costs section on the application form. For larger projects, academies may choose to appoint technical advisors to help them develop and deliver the project. Maximum limits (not allowances) for professional fees including any in house project management costs are:

- New Build projects – 12.5% of total project cost
- Refurbishment projects – 15% of total project cost
- Minor works projects (windows/roofs, etc.) – 10% of total project cost

It is for the academy to determine and negotiate the rates for any technical advisor support they require.

We will downgrade projects with costs for professional fees above these limits during assessment. Statutory fees and other costs such as surveys, etc. should not normally exceed 2.5% of total cost of the project.

4.2.2 VAT

All costs should exclude VAT as these costs can be reclaimed from HMRC.

4.2.3 Deadlines for spending funding

Applicants should note that deadline for spending funding is 31 March 2015 unless agreed otherwise as part of their original application to the fund. We will make grant payments on profile that we will adjust to avoid academies building up large balances prior to project completion. Larger projects using other sources of funding will need to manage their cash flow appropriately if construction work continues beyond this date. All ACMF 2014 to 2015 funding should be spent by 31 March 2015.

4.3 Deliverability (20% weighting)

Projects need to be planned appropriately and realistically so that the ACMF 2014 to 2015 funding sought from the programme can be used by 31 March 2015. A limited amount of funding will be available in financial year 2015 to 2016 for larger schemes.

Applicants should briefly describe how the funding requested would be used by the deadlines / milestones set out on the form, and how works will be managed to secure timely delivery.

Supporting information could include:

- A detailed programme of activities, including necessary permissions, procurement and appropriate contingencies for weather or other factors.
- Planning approval notices or pre-planning advice, if required.
- Details of the intended procurement route.
- A risk assessment including measures taken to reduce the risk of slippage.
- Plan of how the academy will manage the project to ensure minimal disruption to teaching and learning.
- Project Management capability of the academy and its partners.

Our assessment under this criterion will make a judgement about the:

- Relative risk of slippage beyond the timescales set out and the deadlines for the programme (small projects delivered in the summer holidays are likely to score well).
- Extent to which the supporting information provides additional confidence in the proposed timescales and managing risks appropriately.

4.3.1 Planning and other approvals

In cases where planning permission is required for a development, we expect academies to be well on the way to secure such permission given the timescale for spending the ACMF funding (unless also seeking funding for 2015 to 16). It is the responsibility of the applicant to consult their local planning authority and building control department to confirm whether the project requires planning approval and building regulations approval.

Additional DfE / EFA approvals may also be required if project involves purchase, lease or sale of land or buildings. The forms and associated property information notes are available [here](#). Applicants may wish to include relevant forms as part of the supporting information for the project. We can process these alongside the funding application to minimise delays to the project.

5.0 Fund arrangements

5.1 Payment of grant to successful projects

For those projects awarded funding, the EFA will issue a terms and conditions of grant document, incorporating the application, which will need to be signed by an appropriate person on behalf of the academy and returned. EFA will usually pay grants directly to successful academies in instalments based on the intended completion date for their project(s). Projects completed over the summer holidays can expect to receive their final payment in September, but larger scale projects will receive funds in December and March if/as necessary to provide a sensible cash flow for the project. We will make the first payment for projects approved through Round 1 in June 2014.

Academies will be paid ACMF monies into their nominated account (the same as their Devolved Formula Capital grant), on or around the 21st of the respective month. Alternative profile arrangements can be made on request, but given we cannot pay significantly in advance of need, academies may need to utilise other funds to cash flow projects appropriately. If works are being procured by another body (such as the lead Academy trust), it is the responsibility of the academy to establish appropriate arrangements for managing the cash flow and informing EFA as necessary.

No additional funding will be made available if costs escalate unless there are exceptional circumstances. Academies will need to discuss matters with the ACMF team at the earliest opportunity.

5.2 Indicative payment profiles

We stagger the payments for successful projects to ensure that funds are not released to academies greatly ahead of need. For the first round of ACMF 2014 to 2015 we have three standard payment profiles based on the project complete date given on the application form. Below are the indicative payment profiles for projects that would be due to complete over the summer holiday (by 30 September 2014) and by the 31 March 2015 deadline.

Projects that request funding over two years will have their first year's payment (as entered on the application form) profiled in the same way as for projects that will complete by the 31 March 2014 deadline. We will discuss the profile for the second year with the academy in the spring of 2015.

Project complete	2014 to 2015					2015 to 16
	Jun-14	Jul-14	Sep-14	Dec-14	Mar-15	Apr-15
By 30 September 2014	10%	40%	47.50%	2.50%*		
By 31 March 2015	10%	20%	25%	25%	15%	5%*

First year payments for two year projects	10%	20%	25%	25%	15%	Second year profile discussed with ACMF team
-------------------------------------------	-----	-----	-----	-----	-----	----------------------------------------------

*Retention payments issued only on receipt of the ACMF project completion certificate

5.3 Monitoring and evaluation

The EFA will put in place light touch arrangements to monitor the progress of all projects approved for funding against key milestones set out in the application to ensure they deliver to time, including site visits if/as appropriate. We may withhold or recover funding if undue slippage of the project occurs. We expect academies to ensure funding for this project can be identified within their accounts.

Funded projects will be monitored against the information submitted in the application and evidence of contractor appointment will need to be provided before funding is made available. Robust project management should be used to ensure the agreed scope of works is delivered to budget and on time. Any projects that fall behind the project timetable may see their funding withdrawn or recovered. **No additional funding will be made available once the scope and amount of funding has been agreed.** In cases where there is a large variance between the estimate and final cost of the project in the applicants favour, the difference may be withdrawn or recovered. It is the responsibility of the applicant to submit realistic and accurate information to avoid any unnecessary delays and large variances in costs.

Action	Deadline	Linked payment
Return acceptance form (Annex B)	May 2014	June 2014
First Monitoring Form	August 2014	September 2014
Second Monitoring Form	November 2014	December 2014
Third Monitoring Form	February 2015	March 2015
Completion Form	As soon as the project is complete	Retention payment

5.4 Audit arrangements

At the end of the financial year EFA will ask for a signed statement from the academy's Accounting Officer to confirm that the capital funds paid have been utilised for the approved project. This will be necessary as part of the arrangements to ensure financial propriety concerning the use of these public funds.

We may request the following information as part of the audit arrangements:

- letter of contractor appointment
- specification and scope of works
- contract sum/project cost plan
- copies of invoices paid
- completion certificate
- photographs showing the relevant area before and after the project was delivered
- header and signature pages of the contract(s)



Education
Funding
Agency

© Crown copyright Education Funding Agency 2013

You may re-use this information (excluding logos) free of charge in any format or medium, under the terms of the Open Government Licence. To view this licence, visit www.nationalarchives.gov.uk/doc/open-government-licence or email: psi@nationalarchives.gsi.gov.uk.

Where we have identified any third party copyright information you will need to obtain permission from the copyright holders concerned.

Any enquiries regarding this publication should be sent to us at:
www.education.gov.uk/contactus

This document is available online at:
<http://education.gov.uk/aboutdfe/executiveagencies/efa/efafundingfinance/b00212638/efa-academies-capital>