

Proposed New School Partnering Scheme

With effect from 1 April 2004, all schools will be expected to make a contribution by way of debt repayment to cover 50% of the value of all capital works at their school that are the responsibility of the school under the Fair Funding regime and are to be supported from the Councils capital resources (e.g. resources not funded by way of central government grant or not planned to be delivered through the Asset Management Plan). The contribution from the school will be an annual payment over 25 years (or less depending upon the life of the new asset) equivalent to the debt repayment over 25 years (or less if appropriate) in respect of the value of work assessed on the above basis. If the school makes a contribution towards the cost of the capital work, that will be taken into account by way of a reduction in the 50% calculation proportionate to the percentage that the schools contribution is to the total cost of the works. Schools may use their devolved capital as a contribution towards the capital cost of the work, but because debt charges are a revenue cost the devolved capital cannot be used to cover the annual repayment. Where a school's carry forward balance at the start of the financial year is in deficit or is less than 5% of the total Budget Share of the school, the school may choose to defer the commencement of repayment for a period of no more than 3 years or when the carry forward balance exceeds 5%, whichever is the sooner. Any deferred period would be deducted from the total repayment period. Any new annual repayment due to the Council from a school under this scheme for any year cannot result in the total payments under this scheme for any year cannot result in the total payments under the scheme exceeding 3% of that Schools Budget Share (including School Standards Grant) for that year. This scheme will enable the Council to increase its overall capital programme and expand its ability to deliver the Asset Management Plan programme. For secondary schools, the implications of the Building Schools for the Future programme will be taken into account in approving works under this scheme. Governing Bodies will be required to make formal decision and agreement to making the repayments under the scheme. Schools will be expected to submit expressions of interest that will be used to agree the programme of work to be supported in this way.