



Department  
for Education

# **Condition Improvement Fund 2020 to 2021**

## **Information for applicants**

**October 2019**

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# 1. About this guidance

This guidance is for academies, sixth-form colleges and non-diocesan voluntary aided (VA) schools that wish to apply to the Condition Improvement Fund (CIF) for the 2020-21 financial year (April 2020 to March 2021).

It explains what CIF is, who is eligible to apply for CIF funding, what types of projects are eligible and how bids for funding will be assessed for the 2020-21 round.

If you wish to apply for funding, you should first familiarise yourself with this guidance. Only applications that demonstrate a high project need, supported with evidence, and which align closely with the priorities of CIF are likely to be successful.

## 1.1 About the Condition Improvement Fund

CIF's core priority is to support condition projects and the focus of the fund is to keep school and college buildings safe and in good working order. Most CIF funding aims to address building issues with significant consequences that revenue or [Devolved Formula Capital \(DFC\)](#) funding cannot meet. These include issues with poor building condition, building compliance, energy efficiency or health and safety.

We give the highest priority to condition projects that address compliance and health and safety issues. These include fire protection systems, gas safety, electrical safety or emergency asbestos removal. We will then give priority to projects that ensure weather tight buildings and continuous heating and water supply.

CIF also supports a small proportion of expansion projects where Ofsted has rated the school either good or outstanding and which need to expand their existing facilities and/or floor space to either:

- increase the number of admissions in the main year of entry or
- address overcrowding, including cases of recently approved age-range expansion and sixth-form expansion

CIF funding can only be used for the project it was awarded for.

## 2. Important dates for CIF 2020-21

Milestones	Dates
Launch of CIF 2020-21: Information for applicants published and online application window opens	28 October 2019
Deadline for new applicants to register for an account	12 noon, 29 November 2019
Deadline for all applicants to submit applications	12 noon, 13 December 2019
Deadline for expansion project applicants to submit a significant change approval request (if applicable) to the Regional Schools Commissioner	12 noon, 13 December 2019
Notify applicants of outcome	Spring 2020

**Table 1: CIF 2020-21 important dates**

For further information about CIF and the latest updates, please refer to [GOV.UK](https://www.gov.uk).

### 3. New criteria for CIF 2020-21

This year CIF applications will be subject to new criteria which will favour bids from applicants with strong governance and good financial management. We think there is a strong link between trusts with a good grip on finance and governance and effective, value for money capital delivery. Therefore, we have strengthened this year's CIF criteria to encourage applicants to prioritise these areas.

We have provided a summary of each area where points can be deducted or added to your overall application score. Please click on each link to find out more about each new criteria:

- [Excessive Executive Pay \(EEP\)](#) – Applicants that have been identified as having excessive executive pay, will have 4 points deducted for applicants based outside of London and 1 point deducted for applications based in London.
- [School Resource Management Adviser Visits \(SRMA\)](#) – Applicants that have received an SRMA visit but have not provided an appropriate response to the recommendations will have 4 points deducted. Agreeing to an SRMA visit will be a condition for all successful applicants that have not had one.
- [Financial Viability and Governance concerns](#) – Applicants whose financial and/or governance viability is of concern to the department will have between 1 and 4 points deducted or conditions applied if they are successful. [Educational providers not in an academy trust](#) will also be required to submit financial information as part of their application and could be subject to a 4 point deductions.
- [Funding Agreements \(FA\)](#) – Academy trust applicants who are on the newer versions of the model FA (December 2014 or later) will have 1 bonus point added during assessment.

In addition, we have introduced a number of changes to our assessment approach that applicants should be aware of. These changes are:

- [Introduction of Voluntary Aided \(VA\) schools](#) - Non-diocesan VA schools who meet the CIF eligibility requirements can now apply.
- [High value and expansion projects](#) – successful projects of £1m or more and all expansion projects will be approved in principle, pending further review of deliverability and value for money.
- [Post-16](#) – We will review applications to expand Post-16 provision to ensure that these do not add to any local Post-16 surplus.

- [Free Schools](#) – Applications from free schools must confirm that the CIF project did not form part of the original free school project.



## 4. Who can apply for CIF funding

To be eligible to apply for CIF funding, you must have been by 1 September 2019 either a:

- Stand-alone academy
- Multi-academy trust (MAT) with less than 5 academies or fewer than 3,000 pupils
- Sixth-form college
- Non-diocesan voluntary-aided school
- School with a signed academy order as of 1 September 2019 that the department expects will convert by 1 April 2020

In any given financial year, all eligible schools will either receive a formulaic allocation via their MAT or chain or be able to bid to CIF. If you are unable to register and/or create an account, but think that you are eligible to apply to CIF, please contact us as soon as possible via the [ESFA enquiries contact form](#).

### 4.1 Multi-academy trusts

Schools in large MATs should not apply to CIF because they receive School Condition Allocations (SCA) instead. We will contact all MATs eligible for SCA, and MATs should not assume eligibility for SCA until confirmed. The eligibility criteria for SCA:

- The MAT has 5 or more open academies at the start of September 2019, and
- Those open academies (or their predecessor schools) had at least 3,000 pupils counted in the spring 2019 census. For nursery schools and sixth-forms, we use FTE rather than headcount.

These MATs should not apply for CIF and can follow the guidance on [capital funding for MATs](#).

### 4.2 Opted-in academy chains

Over the summer term, we contacted academy chains that met our size criteria as of 1 April to offer them the opportunity to opt-in to a single School Condition Allocation. If the accounting officers of the chain's constituent academy trusts have opted-in to this offer, and we have confirmed the opt-in, then the opted-in trusts in the chain do not need to apply to CIF. The accounting officer of your academy trust will be able to confirm whether you are part of an opted-in chain.

Opted-in chains can follow the guidance on [capital funding for MATs](#).

### 4.3 Schools with academy orders

If you are a school with a signed academy order and are unable to log onto the CIF portal, please contact the CIF team as soon as possible via the [ESFA enquiries contact form](#). Once

you have obtained the agreement of your academy lead, we can give you access to the CIF portal so you can make an application.

If successful, schools with a signed academy order must have converted to an academy by 1 April 2020 to receive CIF funding.

If this is not the case, funding will be withheld until conversion has taken place up until 1 September 2020. If conversion has not taken place by then the funding may be withdrawn.

#### **4.4 Selective academies**

Fully and partially selective schools that select on the basis of general academic ability, will not be eligible to apply to CIF 2020-21 for added places expansion projects, but they can apply for condition projects or to address overcrowding.

#### **4.5 Voluntary Aided Schools**

Non-diocesan Voluntary Aided (VA) schools who meet the CIF eligibility requirements will be able to apply for CIF 2020-21. The governing bodies of VA schools will continue to pay at least 10% of the total (gross) costs of any successful CIF project. Please ensure the 10% contribution also includes the amount for VAT. If successful for CIF 2020-21, we will pay VAT (on vatable project costs) at 90% of the VAT costs.

All CIF projects must aim to improve a capital asset currently used for education provision for pupils between the ages of 2 and 19 years. These will be assets held freehold by the school or college concerned, held by the school on a long lease – usually from the relevant local authority, or held by charitable site trustees for the school's purposes. You cannot use CIF funds to purchase land.

Applications should be submitted with the full amount of funding included to show value for money. VA schools can include VAT in the project cost as they cannot reclaim it. Formal evidence of SOC (School Organisation Committee) approval letter must be submitted with each CIF application or the project will be withdrawn.

## 5. Urgent Capital Support

Urgent Capital Support (UCS) is for academies, sixth-form colleges and non-diocesan VA schools which do not have access to a SCA, and require funding assistance to address urgent building condition issues that either put the safety of pupils and staff at risk, or threaten the closure of the whole, or a significant part of, the school.

UCS applications can be submitted at any time where there is a genuine and immediate need for urgent support.

Where UCS applications are received between October 2019 and April 2020 that are duplicates of any CIF 2020-21 application, then the CIF application may be withdrawn.

More information on UCS can be found at [how to apply](#).

## 6. Types of project which are eligible for CIF funding

There are 3 categories of CIF project: condition, condition with expansion and expansion. Projects may be re-categorised by the DfE if they do not meet the qualification criteria for the selected category.

Projects are scored against 3 assessment criteria:

- project need – 60%
- project planning – 15%
- project cost – 25%

There is more information about how these criteria are assessed in the sections of this guidance about condition projects ([sections 11&12](#)) and expansion projects ([section 13](#)). Condition with expansion projects will be scored using the same criteria as a condition project.

A CIF application will be either fully funded or unsuccessful; we will not fund part of the proposed works within an application. Retrospective projects will not be funded.

### 6.1 Condition projects

These are projects to improve the condition of buildings, with no expansion of the gross internal floor area (GIFA).

### 6.2 Condition with expansion projects

These are projects to improve the condition where the GIFA of the new block is up to 10% larger than the previous block. The aim of the project must primarily be to address significant condition need.

We will accept projects in this category where the GIFA of the new block is larger than 10% of the existing GIFA, if you provide clear evidence that there is no other alternative to meeting area standards as defined by [Building Bulletin 103](#) or [104](#).

The evidence for the project need section of condition with expansion must focus on and demonstrate the condition need. Projects that add new functional areas or facilities, or wish to increase their published admittance number (PAN), must be submitted as expansion applications.

## 6.3 Expansion projects

Expansion projects create additional places or address overcrowding. Applicants looking to expand must demonstrate that they are high performing (see criteria in section 13) and the GIFA of the new block must be more than 10% larger than the previous block or add functional areas or facilities. You should submit evidence that there is no other alternative to meeting area standards across the whole site, as defined by [Building Bulletin 103](#) or [104](#).

Fully and partially selective schools that select on the basis of general academic ability, will not be eligible to apply to CIF for added places expansion project (see section 4.4).

If you are preparing an expansion project, you may wish to consider the alternative option of [opening a free school](#) as this could meet your requirements or need for places in your local area.

### 6.3.1 Added places projects

Expansion projects that lead to an increase in the number of pupils on roll will be defined as added places projects.

### 6.3.2 Overcrowding projects

Expansion projects that address existing overcrowding (in schools where the existing number of pupils on roll is greater than capacity) but do not result in an increase to the number of pupils on roll, will be defined as overcrowding projects.

We recognise that in some cases, value for money can be achieved by adding places in projects that are primarily to address overcrowding. We will define and assess these projects as overcrowding if you provide clear evidence that overcrowding is the primary focus of the expansion, and adding places offers good value for money.

Where a project is re-categorised as an expansion project or the type of expansion is re-categorised, and the supplementary data is not available, the application may be penalised and is unlikely to be successful.

For more information about expansion projects, refer to section 13 of this guidance.

## 6.4 High value and expansion projects

All successful projects of £1m or more and all successful expansion projects will be approved initially in principle. Applicants for these projects should apply for CIF as normal and projects

will be assessed using the same criteria published in this document. Release of CIF funding will be subject further DfE review of proposals, where we may require applicants to submit further information, e.g. tender returns, planning evidence, updated project programmes or detailed cost plans, for scrutiny prior to final approval. This is to ensure that overall costs and delivery timelines are realistic and robust.

## 7. Project thresholds for CIF 2020-21

All CIF projects must aim to improve a capital asset held in freehold or on a long lease, used for education provision for pupils between the ages of 2 and 19 years. You cannot use CIF funds to purchase land.

School type	Minimum project threshold	Maximum project threshold
Primary and special schools	£20,000	£4,000,000
Secondary schools, all-through schools and sixth-form colleges	£50,000	£4,000,000

Table 2: Project thresholds for CIF 2020-21 according to school type

We expect applicants to use their revenue and [DFC](#) funding for capital works below these limits.

You can apply for a CIF loan at Public Works Loan Board (PWLB) interest rates for all or part of the project funding for any CIF project. You can also apply for an interest free energy efficiency Salix loan for all or part of the project funding if the project will provide revenue savings for energy efficiency works (see Annex A).

The planning and preparation, as well as the construction programme must be realistic and achievable. The majority of funds will be allocated for projects that complete by 31 March 2021. Larger projects may last up to 2 years but all projects must complete by 31 March 2022.

Information and communication technology (ICT) software, loose furniture and equipment are ineligible. ICT hardware will not be eligible unless there is clear evidence that it is an integral part of the project. ICT infrastructure (cabling, wireless and switching) is only eligible when it is an integral part of a larger project.

## 8. Applying to CIF

All applications for CIF funding are made on the [CIF portal](#). We do not accept applications made through any other routes.

Applicants should refer to the user guide on the portal to help you.

The application form is designed for you to summarise the most important features and rationale behind a project. You can attach project documentation as evidence to support the case being made. You should not include the school or college's history or the history of the condition issue; this is not required and may reduce the amount of more relevant information you can include.

We do not expect you to spend significant time and resources preparing bids for CIF beyond that required to carry out your responsibilities for managing your site effectively.

Evidence you submit should be proportionate to the scale of the project. For example, we would expect more robust information for a project requesting £100,000s than for one requesting an amount nearer the minimum project thresholds.

### 8.1 CIF portal account access

For CIF 2020-21 a new [CIF portal](#) is available and you will need access to this in order to apply.

If you have previously held a CIF account you will have received an email with the invitation to sign up to the new portal. If you have not received this or you are having issues with the invitation please contact us as soon as possible via the [ESFA enquiries contact form](#).

If your trust or school are applying to CIF for the first time you will receive an email asking for further details and will then be sent an invitation to sign up to the portal. If you have not received this please contact us as soon as possible via the [ESFA enquiries contact form](#). Please check with other colleagues in your school to ensure they haven't received an email before contacting us.

You should make sure that all the contact details are kept up to date as this will be our main way to communicate with you about your application.

**Please note:** When you create an account please use your trusts companies house number as the username. If you do not have a companies house number please use your URN with the first two digits being 00 e.g. 00123456. Once a username is set it cannot be changed.



If you have forgotten your username or password, please send your details via the [ESFA enquiries contact form](#) and we will provide you with the information.

If you are unable to register and/or create an account but think that you are eligible to apply to CIF, please contact us as soon as possible via the [ESFA enquiries contact form](#).

## 8.2 Applying for 2 projects

You may submit up to 2 projects per academy, sixth-form college or VA school on the [CIF portal](#) but only 1 of these may be an expansion project. You may not apply for 2 expansion projects.

Projects will be assessed separately and independently from each other. If the 2 projects are linked then please refer to this in the application form. There is no guarantee that if one project is successful, the other one will be too. You may want to consider whether a single, combined application might be more appropriate.

## 8.3 Supporting evidence

For each application you apply for you should upload 1 document for each project section to support your application. Each document can be up to a maximum of 1MB.

### Condition projects

- 1 uploaded document for Project Need
- 1 uploaded document for Project Planning
- 1 uploaded document for Project Cost

### Expansion projects

- 1 uploaded document for Project Need
- 1 uploaded document for Project Planning
- 1 uploaded document for Project Cost
- 1 uploaded document to show any overcrowding where this is relevant and progress on significant change approval, if applicable

For CIF 2020-21, non-diocesan VA schools and non-academy trusts (see [section 9.5](#)) will be required to upload further documents. Each document can be up to a maximum of 1MB.

- **Non-diocesan VA schools only.** 1 uploaded document to show formal evidence of your SOC approval letter

- **All establishments that are not academies.** 1 uploaded document to show your latest accounts and budget forecast report for review
- **All establishments that are not academies.** 1 uploaded document to provide your financial improvement plan if your accounts show that you meet the criteria for financial concern.

For further information please see [section 9.5](#)

**Do Not** include any other information in these additional uploads relating to other Sections as this will not be considered as part of your application.

## 8.4 Use of technical advisers

You can use technical advisers or representatives to help prepare your application and to deliver the works but they cannot apply on your behalf.

You need to ensure that technical advisers are of a high quality and that costs are within a reasonable limit.

We are required to deal with the responsible official at the institution with whom the Secretary of State has a signed funding agreement, or in the case of a sixth-form college or VA school, a member of the senior management team.

If you use a technical adviser who may also be working with other applicants, make sure that any evidence you submit applies to your school or sixth-form college.

You are responsible for the accuracy and relevance of the information submitted. If an error is made in the information you provide in your application, then this will influence your final score.

## 8.5 Multi-site projects

Eligible MATs are encouraged to consider grouping high need projects across more than one academy site to promote strategic benefits and efficiency savings. Multi-site projects will count as one project for each of the academies involved.

You should submit multi-site projects individually, making reference to the other schools involved, and not present them as a large multi-site project on one application form.

## **8.6 Access and specialist facilities for pupils with special educational needs and disabilities (SEND)**

Where works are required to address [specific needs](#) for a pupil with an Education, Health and Care Plan (EHCP) because the commissioning body has placed the child in the school, it is the responsibility of the commissioning body to fund those works.

Where an EHCP is not in place, you may apply to CIF for minor adaptations – lifts, toilets, showers and other hygiene facilities, etc. to enable the pupil to access the school site appropriately.

## **8.7 Priority School Building Programme**

If you are an applicant with a Priority School Building Programme (PSBP) project, you should contact your PSBP Project Director before you apply to make sure that you do not duplicate works covered by this project in your CIF application.

If an urgent issue arises, you should also let your Project Director know as this might affect the PSBP works.

## 9. Financial Viability and Governance

We want to ensure that CIF funding goes to applicants who can evidence robust financial and governance health. This is because we want CIF funding to be used effectively and for projects to be value for money. Therefore, this year, those applicants with poor financial viability and governance will find it harder to be successful unless they can demonstrate the highest priority and most urgent need. Please note that deductions of points to the overall score will be made once. Those establishments that meet more than one criterion will only have a deduction made up to a maximum total of four points.

### 9.1 Excessive executive pay (EEP)

To encourage better academy trust financial and governance performance we will deduct 4 points from the overall application score from trusts with EEP based outside London. For London based trusts with EEP that have the majority of their academies in London a single point deduction will be made. Any trusts with EEP who remain successful after the points deduction will need to commit to taking steps to address EEP as a condition of CIF funding.

The criteria for defining trusts with EEP is:

- The latest financial statements as paying either two or more executive salaries of £100k+ or one or more salary of £150k+; and
- There is evidence of financial and/or educational underperformance within the trust; and/or
- The trust made a commitment to reduce excessive salaries within a given timescale, but this has not been evidenced in their financial submission; and/or
- There has actually been an evidenced increase in spend on £100+k salaries year-on-year within the trust (according to published financial statements; and no significant change within the trust).

### 9.2 Funding Agreement (FA)

In the CIF application form, we ask all applicants to provide the date on which their current master FA was signed.

Academy Trusts that have signed up to a master FA after December 2014, and those committed to moving to the latest model FA prior to announcing CIF by 1 March 2020, will be awarded a bonus point to their overall application score.

If the trust is not on the December 2014 or later version when you apply for CIF, you will receive a bonus point only if ESFA colleagues can confirm that you have progressed in updating the master and supplemental FAs by 1 March 2020.

Where trusts have more than one master FA, ESFA expect commitment and progress by the trust to transfer all their academies to the latest version by 1 March 2020 before we would apply the bonus point.

We will also require any trust in intervention (i.e. a Financial Notice to Improve) with a successful CIF 2020-21 project to move onto the latest model FA as a condition of CIF funding.

### **9.3 School Resource Management Advisers**

Applicants who have received SRMA support in the last 2 academic years (2017/18 or 2018/19) but have not provided the ESFA with an appropriate response to the recommendations by 31 December 2019 will have 4 points deducted from their overall application score. For those whose SRMA visit did not take place until July/August 2019 we will expect them to submit an appropriate response by the agreed six-month deadline to avoid the 4 points deduction.

Applicants under a financial notice to improve (FNTI) or in a deficit will need to show they have considered the SRMA recommendations and implemented these with no actions remaining outstanding.

Any successful CIF applicants who have not previously had an SRMA visit in the last 2 academic year, or do not have one scheduled for a future date, will be required to agree to one as a condition of funding.

### **9.4 Assessing Financial Viability and Governance – Academy Trusts**

Academy Trusts are required by the Academies Financial Handbook to submit their 2018/19 accounts to the department by 31 December 2019. It is important that trusts submit their accounts on time as this position will be taken into account during CIF assessment. We will use the financial information to identify trusts with finance and governance concerns. As part of the application round, trusts must submit details of an improvement plan if there are known financial viability or governance concerns.

Any academy trusts with financial viability concerns may be subject to intervention requirements by the ESFA, including the provision of a financial improvement plan. Where no effective improvement plan has been provided by 1 March 2020, 4 points will be deducted from the overall application score for each project from that trust.

The criteria for defining trusts with financial viability concerns are:

- The latest financial statements report a cumulative deficit for 2018/19;

- There is evidence of financial issues within the trust from the Budget Forecast Return Outturn (BFRO) and Budget Forecast Return 3-Year (BFR3Y) submissions to the ESFA, without sufficient evidence of improvement or action to address;
- The trust has submitted late financial returns to the ESFA on one or more occasions;
- Auditors have raised underperformance within the trust's management letters and the management response is insufficient.

Those academy trusts that are not subject to the ESFA intervention deduction above that have submitted late financial returns or returns of concern will have points deducted as follows:

- Those trusts with late returns as per our published list for 2018/19 returns will have 2 points deducted from their overall score.
- Those trusts missing the 31/12/2019 deadline to file audited accounts by more than 14 days will have 2 points deducted from their overall score.
- Those trusts with a qualified audit, adverse audit opinion or auditor's disclaimer of opinion will have 1 point deducted from their overall score.

## **9.5 Assessing Financial Viability and Governance – Other Applicants**

Other applicants will need to submit their latest accounts for review as part of their CIF application form. Where your accounts show that you meet the criteria for financial concern below, you will need to submit a financial improvement plan as part of their CIF application. 4 points will be deducted from the overall score where an effective improvement plan has not been provided. Where no financial information is provided the establishment's projects will not appear on the list of successful CIF projects.

The criteria for other applicants with financial viability concerns are:

- The latest financial statements reporting a cumulative deficit for 2018/9;
- There is evidence of financial issues from budget forecasting reports, without sufficient evidence of improvement or action to address

## **9.6 Free Schools**

If your trust is a free school we are asking you to confirm that your proposed CIF project was not part of the original free school project scope. You should review contracts and the relevant warranties before applying to CIF. and confirm that there are no recall opportunities from the original contractor, subcontractor or on products used.

If the review of contracts and warranties produces a recall opportunity from the contractor, there will be no need to apply for CIF.

If a review of contracts and warranties is not applicable, please provide the reason on the application form.

## 9.7 Energy efficiency works

Works to improve energy efficiency, such as lighting projects, that do not involve works to address high need condition issues, are unlikely to be successful in receiving CIF funding as they have a lower priority.

You should not apply for these energy efficiency works unless they form part of a larger proposal where the primary purpose is to address poor condition.

The Salix Energy Efficiency Fund (SEEF) accepts applications for works to improve energy efficiency without a condition need. SEEF is administered by [Salix Finance](#) but funded by the DfE. You should not include within a CIF application any energy efficiency works that are part of a SEEF application.

## 10. Assessment criteria

Assessors will evaluate each project using the information contained within the application, and make a relative judgement, to award an overall project score. They will assess expansion projects by using school performance data generated from DfE centrally held sources not just information provided by applicants.

**Please note:** We will provide the breakdown of scores when we announce the CIF outcome in spring 2020.

Assessment criteria	Total Score
Project Need	60%
Project Planning	15%
Project Cost	25%
Total	100%

**Table 3: Scores of assessment criteria**

Our intention is to fund applicants with the most pressing need, but only where the proposed project is appropriately planned and presents best value for money.

The following sections set out the basis for judgements under each set of assessment criteria and set out the information you might consider providing to support applications. The information is a guide and is not exhaustive.



## 11. Condition applications

We target most funding at building condition projects and assess condition with expansion projects as condition projects.

We expect the majority of projects supported through the CIF to involve the replacement of high priority components such as boilers and electrics, fire doors and alarms, roofs and windows, and asbestos removal..

Applicants should seek professional advice through an independent survey as to the condition of their buildings. They should provide a realistic options appraisal which provides genuine options for consideration. This should set out a clear scope and demonstrate value for money on costs.

### 11.1 Condition project priority and specification

We expect only applications that closely align with the CIF policy priorities will be successful. We are unlikely to fund projects that fall into the low and lowest categories. Assessors will make a final judgement on which category each project falls under. Table 4 sets out the CIF project priorities.

All applicants should refer to the Generic Design Brief (GDB) which is within the [Output Specification 2017](#) (OS) when preparing their CIF project.

[www.gov.uk/government/publications/output-specification-generic-design-brief-and-technical-annexes](http://www.gov.uk/government/publications/output-specification-generic-design-brief-and-technical-annexes)

The GDB sets out the quality standards and performance requirements for school buildings and grounds. It comprises of Generic Design Brief and Technical Annexes, the contents of which are set out in Table 5.

Where new buildings are being provided full compliance with the GDB is required. Applicants should provide sufficient evidence to support this, including outline specifications.

Where refurbishment works are proposed in existing buildings any elements of non-compliance with the performance requirements of the GDB should be clearly identified in the application, including supporting evidence and outline specifications.

Category	Priority Level
<p>Legislation Compliance and Health &amp; Safety – where there is a risk of school closure, including:</p> <ul style="list-style-type: none"> <li>• emergency &amp; managed asbestos removal to facilitate essential works</li> <li>• gas safety</li> <li>• electrical safety</li> <li>• water services - (hot and cold) and drainage</li> <li>• ventilation/air quality and thermal comfort</li> <li>• fire safety</li> <li>• security and safeguarding</li> </ul>	Highest
<p>Life Expired Condition Replacement – where there is a risk of school closure, including:</p> <ul style="list-style-type: none"> <li>• building structure</li> <li>• mechanical systems</li> <li>• electrical systems</li> <li>• utility capacity and connections</li> </ul>	High
<p>Life Expired Condition Replacement, including:</p> <ul style="list-style-type: none"> <li>• building fabric – internal or external</li> <li>• building structure</li> <li>• mechanical systems</li> <li>• electrical systems</li> </ul>	Medium
<p>Areas below current standards, including:</p> <ul style="list-style-type: none"> <li>• Whole block</li> <li>• Basic Teaching</li> <li>• Large spaces, studios, dining and social</li> <li>• Kitchen</li> <li>• Plant</li> <li>• Learning resources areas</li> <li>• Staff and admin</li> <li>• Storage</li> <li>• Changing</li> <li>• Toilets</li> <li>• Circulation</li> </ul>	Low

Category	Priority Level
<p>Other works: Evidence <b>must</b> provide a clear condition and value for money case. This might include:</p> <ul style="list-style-type: none"> <li>accessibility improvements (teaching and non-teaching)</li> <li>building fabric (non-teaching, e.g. external sports equipment stores etc.)</li> <li>mechanical and electrical systems (non-teaching)</li> </ul>	Lowest
<p>Other works: all other works, where there is either weak or no evidence of significant compliance, health and safety concerns or condition/value for money.</p> <p>We will not consider these cases a priority for CIF 2020-21 and will reject them on that basis. Examples include resurfacing car parks or small teaching environment refurbishments.</p>	Will not be funded by CIF 2020-21

**Table 4: Policy priority ratings for condition projects**

	<u><a href="#">Generic Design Brief</a></u>	<u><a href="#">Technical Annexes</a></u>	
Section	Content	Annex	Content
1	Context and Key Principles	1A	Definitions of Spaces: Mainstream Schools
		1B	Definitions of Spaces: SEND and Alternative Provision
2	Buildings and Grounds	2A	Sanitaryware
		2B	External Space and Grounds
		2C	External Fabric
		2D	Internal Elements and Finishes
		2E	Daylight and Electric Lighting
		2F	Mechanical Services and Public Health Engineering
		2G	Electrical Services, Communications, Fire and Security Systems
2H	Energy		

	<a href="#">Generic Design Brief</a>	<a href="#">Technical Annexes</a>	
		21	Controls
3	Fittings, Furniture and Equipment	3	Fittings, Furniture and Equipment
			Building Performance Evaluation Methodology

**Table 5: Generic Design Brief Contents**

## 11.2 Supporting evidence for condition projects

We expect applicants to provide appropriate building condition survey data or extracts to show proof of project need. An up to date independent condition survey will assist you in identifying and prioritising the worst condition areas of your site. Most projects will need to provide additional survey data or appropriate professional evidence so there is more detailed evidence of condition need.

We also expect applicants to manage their estate effectively and have published guidance [Good Estate Management for Schools \(GEMS\)](#), on how to make the most of your resources. As part of your application you will be required to confirm that you have reviewed this guidance and your condition project is consistent with your estate strategy and asset management plan.

The [Tools](#) section includes an organisational self-assessment and guidance on Strategic Estates Management. These tools are also available to help you make sure your organisation has the right skills, processes and policies in place.

Depending on your role, you may not need to review every section. Some sections are of particular relevance to leaders, governors and trustees of schools. Some are aimed more at school business professionals and those involved in the routine management of the estate.

The extent to which you are accountable actions will vary depending on the type of organisation. You should be clear what role you play in the organisation and who is the lead. If you are unsure about your role and responsibilities, you should approach your immediate manager. Whatever your role, you should, at the very least, review the [fundamentals of good estate management](#).

### 11.2.1 Condition grading

Where appropriate, an independent suitably qualified person should carry out surveys containing specific condition grading and prioritisation ratings; condition grade A to D (from 'good' through to 'bad' condition) and priority rating 1 to 4 (from 'immediate action required' through to 'work required in 5+ years'). The evidence must include the qualification of the surveyor.

There is guidance on how these ratings were applied as part of the [PDS programme](#).

Most applications require a condition survey or an extract of a condition survey applicable to the part of the building that the application addresses.

If you have surveys that are not graded as described above, you should ensure the condition grading and prioritisation rating are clearly explained so the assessor can interpret the information correctly.

### 11.2.2 Condition Data Collection (CDC)

A CDC report presents data collected following a visual, non-intrusive data collection exercise and can be used to prompt further investigation.

The CDC report is not a condition survey and so the data presented is high-level. A CDC report can be used to support a CIF application, but on its own it will not be sufficient to make a full assessment of a CIF application. We will expect to see additional evidence, e.g. a full condition survey, when assessing applications.

### 11.2.3 Block replacement/refurbishment

We will consider a block replacement in the context of the overall area standards set out in [BB103 or 104 as appropriate](#). You will need to justify it against those standards and refer to the [Generic Design Brief within Output Specification 2017](#). A project that over specifies the space required compared to current area standards or performance will not score highly.

We would normally expect the replacement build not to be any larger than the current block. However, we will allow small increases in the replacement block if that is required to meet [BB103](#) or [104](#) space standards and/or - Health and Safety, Equality Act and DDA compliance, and Child safeguarding considerations. If the proposed new build is larger than the existing block and larger than the current area guidelines then the application will be categorised as an expansion project.

## 11.2.4 Boiler and heating systems

Try to consider heating systems as a whole and be mindful of the impact of any changes that improvements to component parts make; this may help avoid situations such as new boilers not working because of leaking pipework or incompatible control systems.

You should model energy usage and likely savings to support any application for such projects. Salix Finance has developed an [Energy Savings Support Tool](#) to help CIF applicants estimate and evidence their energy savings (see Annex A). Most heating system proposals will generate energy savings and we expect applications to include a Salix loan as part of the funding requested.

## 11.2.5 Safeguarding

Safeguarding projects often involve provision of additional security measures, or remodelling of pedestrian/vehicle access points. If access improvements are required, you should work with your local authority highways department to tackle the identified issues in the most appropriate way and look to negotiate contributions for such works from other interested parties where possible.

If your condition project addresses safeguarding issues, you need to provide robust evidence to support urgency of need such as an incident report or police reports. We will not consider statements of unqualified opinion that there may be a risk of safeguarding issues as sufficient evidence.

We may accept projects that provide photo evidence that their existing circumstances do not meet the minimum for security.

## 11.2.6 Changes to the Gross Internal Floor Area (GIFA)

You should clearly identify the changes in the GIFA as part of any application. This should include the GIFA being renewed or refurbished as well the GIFA being removed or demolished and any new build.

## 11.2.7 Emergency asbestos issues

All schools must have an up to date [asbestos management](#) plan detailing the location and condition of asbestos containing materials and how any risks are being managed. Guidance on asbestos management in schools is also available.

The advice from the [Health and Safety Executive \(HSE\)](#) is that where asbestos containing materials are assessed as being in good condition and not in a position where they are likely to be damaged, they should be left in place and monitored together with the

management of other risks. However, where asbestos is in poor condition or is likely to be damaged during the normal use of the building, it should be sealed, enclosed or removed, as necessary by appropriate qualified contractors.

Where asbestos has been disturbed or damaged, unless the incident is minor and dealt with immediately, you should notify the HSE of the incident. This is a legal requirement under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 (RIDDOR).

Applicants with significant asbestos that is proving difficult to manage effectively (e.g. making access difficult to carry out repairs) may apply to CIF for support to remove it, and should plan works around holiday periods.

## 12. Assessment of project need for condition projects

Project need is marked out of 20 for condition projects and we weight this to account for 60% of the total score.

### 12.1 Condition survey

A condition survey provides an assessment of the physical condition of the building. The survey should identify the building's deficiencies and maintenance issues. For all projects, the condition survey should provide a clear understanding of the current condition of the building both internally and externally. This should also include a detailed assessment of the consequence of any delay or failure to undertake the proposed work.

Applicants should provide specialist evidence to support the specific issue; the evidence should include, but not be limited to, the following areas:

- structural
- building fabric
- M&E
- asbestos
- utilities
- sewage & drainage
- fire safety & security
- health & safety issues
- site layout

#### 12.1.1 Other evidence of condition

Evidence should also include:

- an independent condition survey/consultant report or detailed survey and specialist reports (appropriate to size and scale of project)
- clear, sufficiently detailed and relevant photographs. For example, if you are applying for a roofing project, provide photographs of multiple sections of the roof(s)
- letters about compliance from appropriately qualified professionals relevant to the specific issue e.g. from fire officers, police reports or electrical engineers
- Ofsted or other reports on the impact of facilities on teaching and learning



Sub-criteria	Scoring
Project type	High/medium/low score based on priority of need (see Table 4)
Urgency of need	<p>The more urgent the need that is evidenced, the greater marks will be given. You will score low marks if:</p> <ul style="list-style-type: none"> <li>• the level of urgency is low</li> <li>• the urgency of the need is not apparent</li> <li>• you include low priority issues alongside urgent works with no justifications</li> </ul> <p>If the proposed works are not required to be carried out within the next 2 years, it is unlikely that the application will be successful.</p>
Strength of evidence for extent of need	<p>To score maximum marks there needs to be strong evidence of significant need providing justification for all works. You will score low marks if there is insufficient / no evidence of significant need.</p> <p>You need to show clearly how, through the supporting evidence, the poor condition of the building(s) or element of the building(s), which the proposed works will address.</p>
Nature and extent of impact	<p>To score maximum marks there needs to be an impact overall on the school or closure of key facilities. You will score low marks where there is solely localised impact.</p>

**Table 6: Project Need scoring for condition projects**

## 13. Expansion project applications

Only a small proportion of CIF will be allocated to address expansion issues across high performing applicants. All CIF expansion projects should refer to the [Output Specification 2017](#). As for past CIF application rounds, we expect the funding for this category of application to be heavily oversubscribed.

For CIF 2020-21, all successful expansion projects will be approved in principle. Release of CIF funding will be subject further DfE review of proposals, where we may require applicants to submit further information, e.g. tender returns, planning evidence, updated project programmes or detailed cost plans, for scrutiny prior to final approval. This is to ensure that overall costs and delivery timelines are realistic and robust.

Further information can be found in [section 6.4](#).

### 13.1 Increasing admissions

We do not intend CIF expansion funding to replace Basic Need funding. Academies wishing to expand to meet basic need demand will not receive any additional credit under the project need criterion.

If your project is to expand admissions due to demographic growth in the population for year's reception to 11 in mainstream settings, you should contact your local authority to seek Basic Need funding rather than CIF.

We do not expect to receive applications for expansion that Basic Need capital allocations should fund. Any additional places funded through this programme will be reflected in future basic need allocations to avoid double funding. It is therefore important to quantify how the CIF expansion project will make additional places available to children in the local area over and above the school's overall capacity figure.

We ask that you include the overall school capacity figure as set out in your funding agreement in the application form.

Academies in areas of high basic need should consider working together with their local authority to maximise the impact of the available funding and demonstrating the benefits that can be accrued.

Academies wishing to expand their sixth-forms, and sixth-form colleges looking to expand, will be assessed in a similar way to ensure fairness between the 2 groups of institutions. In both cases, we expect there to be a revenue benefit from expanding the number of sixth-form places, so we would expect academies and sixth-form colleges to contribute towards the cost of the development. Such projects must be submitted as projects increasing the number of admissions (irrespective of whether it is the main year of entry).

## 13.2 Significant change

Academy Trusts are required to submit a significant change application to their Regional Schools Commissioner (RSC) where they are making a significant expansion which increases the overall building capacity of the academy. You will need significant change approval from your RSC for your CIF project to be successful in getting funding. RSC approval must be achieved by March 2020, so it is important that you submit your significant change application in parallel with your CIF application.

You should check whether your CIF expansion application requires the significant change process by reviewing the [significant change guidance](#). The guidance sets out examples of significant changes that require approval and explains the application process. If your expansion project does not require RSC approval it is likely to be a small expansion and may not demonstrate value for money in terms of project costs.

The RSC approval of any significant change expansion cases that are dependent on securing CIF funding for their delivery will be conditional. RSC approval is normally a requirement for CIF expansion projects but this does not guarantee that the CIF application will be successful.

**A CIF project that would otherwise have been successful but does not have RSC significant change approval by the time we are ready to announce the CIF outcomes will be unsuccessful.**

Alongside the case for the expansion, academies still need to provide strong evidence to demonstrate their ability to deliver the proposed capital project through the CIF application process. The case put forward to the RSC for significant change is not considered as part of the CIF process.

If approved, you should also make the required changes to your PAN and admissions policies in time for the completion of the capital project so that your full increase in capacity is promptly available to pupils in your area. You will also need to ensure your funding agreement is adjusted to reflect the increase in capacity.

Other establishments that are not academy trusts are not required to submit a significant change application.

## 13.3 Non-diocesan VA schools

Non-diocesan VA schools must go through the relevant process to gain approval for the proposed increase in capacity/enlargement of premises. LAs are responsible for proposing and making decisions on proposals to expand LA maintained schools that meet the

statutory threshold, subject to following the statutory process set out in the [Making significant changes \('prescribed alterations'\) to maintained schools](#)

## 13.4 Post-16 expansion

Other establishments that are not academy trusts who are applying for CIF funding to expand their Post-16 provision will need to demonstrate that their project is not adding to the Post 16 surplus of places that is prevalent in some local areas. These applications will be reviewed to ensure there is evidence of need for additional Post 16 places in the local area and the availability and a need for the type of provision proposed.

## 13.5 Growth and demand

For all expansion projects, you need to input historic, existing and projected annual data for growth and demand for the education establishment on the [CIF portal](#) application page.

If you omit accurate growth and demand data from an expansion project application, this will make it harder to assess and may cost you valuable marks.

### 13.5.1 Growth data

Growth data must cover a 7-year period from 2019-20 to 2025-26 and this should correlate with your business plan.

You need to provide the following information, both with and without the proposed project, in order to demonstrate its anticipated benefits:

- number(s) of places specified in your funding agreement (on occasion, funding agreements will include more than one number e.g. if separate numbers of places are included for sixth-form or SEN unit places)
- gross internal floor area (GIFA) of the whole school (m<sup>2</sup>) and how this relates to the recommended area contained within [Building Bulletin 103](#) or [104](#) as appropriate. Make sure you explain any significant differences in the application.
- number of pupils on roll (NOR), as applicable for the age range of the education establishment
- published admission number (PAN)
- admission year 12 (post-16 only)

### 13.5.2 Demand data

We also request the following mandatory annual data on demand over a 4-year period:

- numbers of first or second choice applications
- total admissions (following appeals) in main year of entry (aged 4-16)
- applications in year 12 (post 16 only)
- year 12 admittances in main year of application
- applications in main year of entry assessment of project need for expansion projects

### **13.5.3 Net capacity**

You should complete the table on existing and forecast capacity and refer in your application to the change in the net capacity because of the proposed project by confirming the number of additional places that created by the project over and above the number(s) in your (current) funding agreement. You can provide a further explanation of changes in capacity in the text box 'general remarks about demand'.

This also applies if the project is to address overcrowding and where you do not expect there to be an increase in the NOR. The only circumstances where the net capacity is unlikely to change is if the project is to provide additional non-teaching support space such as dining facilities.

## 14. Assessment of project need for expansion projects

We weight project need for expansion projects to account for 60% of the total score.

Evidence should ideally include:

- Ofsted or other reports on impact of facilities on teaching and learning
- demand data, independent evidence of overcrowding
- explanation or evidence of any exceptional circumstances relating to capacity constraints that need to be taken into account

We will take into account the proportion of schools' pupils who are from a disadvantaged background when we assess the need for expansion that create additional places. This is to support the creation of new places in high performing schools with a high relative proportion of disadvantaged pupils. For added places projects, we will also assess cost per place.

Evidence should also include:

- subject to the size and scale of the project; an extract of CDC/PDS survey, an independent condition survey/consultant report or detailed survey and specialist reports
- photographs
- letters about compliance e.g. fire officers or electrical engineers

We will use the results from the June 2019 School Capacity Survey data on demand for places, admission numbers and the specific overcrowding consequences to inform the project need criteria scores.

Sub-criteria	Scoring
Popularity/demand  For overcrowding projects this includes: severity of overcrowding issues	To score maximum marks there needs to be a very high demand and for overcrowding projects independent evidence of the impact of overcrowding.  For academies demand is based on % 1st and 2nd preferences of PAN For Post 16 establishments and special schools – number of applications compared to available places  You will score 0 if there is low demand (preferences less than 110% of PAN) and no evidence of overcrowding.

Sub-criteria	Scoring
Performance	<p>To score maximum marks the school or college needs to be Ofsted outstanding and have attainment and progress at or above the national average.</p> <p>Special schools will be assessed on Ofsted outcomes only.</p> <p>For Post 16 establishments, Ofsted outcomes plus the relevant performance data</p> <p>You will score low marks where Ofsted results are good but where attainment and progress are below the national average or the school is below Ofsted good.</p>
Capacity constraints	<p>To score maximum marks there needs to be a severe shortage of capacity</p> <p>For academies this will be based on the funding agreement, net capacity data and current Number on Role (NOR). For special schools, Get Information about Schools (GIAS) data For Post-16 establishments, Independent Learning Record(ILR) Full Time Education (FTE) data</p> <p>You will score low marks where there is only a small shortage of capacity.</p> <p>For added places projects: Academies: we will take into account the anticipated funding agreement number(s) and NOR when the project is complete and all year groups are full. Post 16: ILR FTE plus growth figure Special Schools: GIAS data plus growth figure</p>
Deprivation	<p>To score maximum marks you will have a high relative proportion of pupils from a disadvantaged background</p> <p>For academies according to Ever 6 FSM and IDACI measures</p> <p>For Post 16 establishments: IDACI measures.</p> <p>Special schools: Ever 6 FSM and IDACI measures</p> <p>You will score low marks where you have a low relative proportion of pupils from a disadvantaged background.</p>

**Table 7: Project Need scoring for expansion projects**

## 15. Project planning – all projects

Project planning is marked out of 15 for all projects and contributes 15% of the total score.

Assessors must be able to see that the proposed solution appropriately addresses the nature, extent and urgency of the need evidenced, and that applicants have the ability to deliver the solution. You must be able to show that projects are planned appropriately and realistically, taking account of potential risks.

Sub-criteria	Scoring
Appropriateness of solution	<p>To score maximum marks the highest need issues should be prioritised and a costed options appraisal with quantified benefits that supports the solution provided.</p> <p>Where the project is a small project there should be an appropriately scaled options appraisal to support the solution.</p> <p>You will score low marks where low priority issues are included and if there is no options appraisal.</p>
Timescales	<p>To score maximum marks, readiness milestones (e.g., planning approval) need to be complete by March 2020 and the project delivery timescale must be appropriate to the scale of the project.</p> <p>We expect smaller projects to be delivered within the 2020-21 financial year and larger projects by the end of 2021-22 financial year.</p> <p>You will score low marks if there are concerns with deliverability to the timescale, given the scale and nature of the project, or where it is clear that readiness milestones would not be complete until after January 2020.</p>
Delivery Plan	<p>To score maximum marks, a realistic delivery plan for the project size supported by appropriate evidence should be submitted and there needs to be good consideration and mitigation of risk.</p> <p>You will score low marks where there are concerns over the ability to deliver the project and/or it lacks a sufficiently detailed delivery plan or risk register for the size of the project.</p>

**Table 8: Project Planning scoring for all projects**



Evidence should ideally include (subject to the size and scale of the project):

- quantification of other options/ options appraisal
- milestones chart / a detailed programme plan or Gantt chart
- quantification of benefits
- a comprehensive risk assessment with mitigations
- evidence of prioritisation
- master planning for the site and a business plan
- project context for wider site
- pre-planning advice or any planning evidence
- or all of the above in a feasibility study

We expect to see greater levels of details for large, high value projects. There is further information on conducting a feasibility study at Annex B.

It is your responsibility to consult your local planning authority to check if planning permission is required before applying to CIF. The application should indicate clearly whether or not planning permission is required and whether it has been confirmed with the local planning authority.

If you are an academy with a CIF project that impacts on school land, it is likely to require a separate consent of the Secretary of State via a land transaction application. For example, the acquisition or sale of a freehold or leasehold interest in land or buildings; change of use of playing field land when expanding the school building footprint; or if you are relocating utilities that involves the grant of easements over school land and/or the grant of a new lease or variation of an existing lease will all require a separate application for Secretary of State consent.

Approval of a CIF application does not provide or imply Secretary of State approval for any land transaction required to deliver the approved project. The relevant guidance will assist you in determining whether a separate approval is required and is located [here](#). The application form(s) and associated property information notes to enable your land transaction application to be made are located [here](#). The CIF approved project cannot proceed until the separate consent of the Secretary of State is obtained to any land transaction.

If the application relates to a proposed expansion that would increase the school's capacity, you will need to seek separate DfE approval by following the [significant change](#) process. This ensures that sufficient consultation of interested parties has taken place. Please note that if you need significant change approval this will be a condition for the success of your CIF project and must be achieved by March 2020.

## 16. Project cost - all projects

We expect all projects to show they are costed appropriately and respond to the project need. The cost section contributes 25% of the total score. We also expect that all project costs are within an appropriate cost range for the type of works proposed. For new build projects we will check that the cost per square metre is within an acceptable range, taking into account abnormal factors.

We reserve the right to reject applications that score very low marks in the Overall Costs criterion (see below), regardless of how they perform against other criteria.

Sub-criteria	Scoring
Overall costs	<p>To score maximum marks there should be a clear scope with overall cost below expectations/industry benchmarks.</p> <p>All cost elements should appear reasonable and where there are 'abnormals' or high costs they are clearly justified.</p> <p>You will score low marks where the level of costs are above expectations with no clear justification e.g. excessive professional fees, allowances and contingency.</p> <p>DfE will look at the cost per place for added place expansion projects and will expect these to meet industry benchmarks unless you provide clear justification.</p>
Cost certainty	<p>To score maximum marks, tenders/quotes should be thorough and well evidenced, with fixed prices and in line with the expectations relative to the size of the project.</p> <p>You will score low marks where there is no evidence of tenders/quotes attached to the application or they are inadequate for the size of the project.</p>
Funding sources and savings	<p>To score maximum marks there will be a significant (and affordable) contribution from other sources or via a Salix and/or CIF loan.</p> <p><b>Please note:</b> VA schools will only score in this sub-criterion if they provide more than 10% of the project value.</p> <p>Where appropriate, there will be evidence of achievable and quantified revenue or future capital savings.</p>

Sub-criteria	Scoring
	<p>The funding sources and savings score is calculated by first adding the value of any loans requested to the value of any reserves or contributions. The combined value as a percentage against the total project cost will generate a score as set out in the bandings in the table below.</p> <p><b>Example:</b> a project of £1,800,000 has contributed £160,000. This is less than 10% of the total project cost, but will score 5 points because the contribution is over the £150,000 threshold.</p>

**Table 9: Cost scoring for all projects**

Points	Project cost under £100,000	Project cost between £100,000 to £1m	Project cost over £1m	Threshold value
0	Under 2.5%	Under 2%	Under 1%	
1	2.5% to 5%	2% to 5%	1% to 3%	£15,000
2	5% to 10%	5% to 7.5%	3% to 5%	£50,000
3	10% to 15%	7.5% to 10%	5% to 7.5%	£75,000
4	15% to 25%	10% to 15%	7.5% to 10%	£120,000
5	over 25%	over 15%	over 10%	£150,000

**Table 10: funding sources and savings**

Evidence 'should' include (subject to the size and scale of the project)

- cost plan (breakdown of costs) appropriate to the size and scale of the project
- hard copies of quotes/estimates/a summary of any tender exercise attached as part of evidence
- cash flow forecast (where appropriate)
- details of procurement route
- market testing to demonstrate additional/abnormal costs, where appropriate
- details or evidence of any savings being made
- letters of funding commitment from other sources (if applicable)

Cost of works will vary significantly from site to site due to local economic variances, site features (e.g. presence of asbestos), planning constraints and project specification/scope. Assessors will refer to industry standards and experience to consider whether the levels of costs are appropriate.

Any cost overruns will be at the expense of the provider, although an appropriate level of contingency funding is permitted. Where local conditions may lead to costs outside of

industry benchmarks you must clearly explain why this is the application and provide supporting evidence.

Cost plans should take account of the proposed risk of price increases and local economic conditions. Cost plans should also be realistic about the level of professional fees, allowances and contingency. This should be appropriate to the scale and type of the project, and the level of work already undertaken to establish price certainty.

## 16.1 Procurement

Applicants may choose their own procurement route to secure best value for money.

The [DfE School Buildings Construction Framework](#) is available for applicants to use and we strongly recommend that all applicants explore this procurement route as part of their project development. For high value and expansion projects, we may ask you to use our framework as a condition of funding.

The ESFA framework contains pre-selected contractors across 12 regional lots. It is aimed at individual school projects, both new build and refurbishment, and has the capacity to deliver elemental works. This framework may be appropriate for a number of different types of projects, particularly medium sized projects with a cost in excess of £1m.

There is no obligation to complete a tender exercise before submitting a CIF bid but you should set out your planned procurement route and demonstrate how you plan to achieve value for money. However, projects that have tenders in place if successful will score higher in the Project Delivery criterion.

## 16.2 VAT

We expect academies to exclude VAT from all project costs in their CIF application. However, the trust must seek advice and if VAT is payable on their project (for example, where community use of a sports facility creates a liability), then they must include the VAT on the application form.

Sixth-form colleges and VA schools must include VAT in the project cost regardless of project type, other schools or their funding bodies have access to VAT refund schemes, Sixth-form colleges and VA schools do not.

## 16.3 Professional fees

You may choose to appoint technical advisers to help you develop and deliver the project. The fees charged by advisers must be appropriate to the type and scale of the project and we expect you to challenge technical advisers on fees where appropriate.

The majority of CIF projects are for straightforward, single issue, lower value works. Percentage fees are not necessarily appropriate for this type of work and if used, we do not expect these to be above 10% of the total project value. For larger projects, the technical complexity of the works may justify slightly higher fees to cover additional surveys required to ensure that all the risks and ground conditions have been taken into account, but this must be justified in the application.

This year in the application form we ask for more detail on what aspects of the application you have sought professional advice for, including surveys, feasibility studies and bid writing.

If the fees are disproportionate to the work involved, your application is likely to be unsuccessful.

## 16.4 Loans

There are 2 types of loans available to applicants through CIF:

- Energy Efficiency Salix Loans
- CIF Loans

You can take out a loan for all or part of the project costs to demonstrate commitment to the proposed scheme and can choose the type of loan, the size of loan, and the timescale over which you want to repay it. Additional points are available during assessment for taking out a loan.

There is no obligation to take out a loan as part of the overall funding package. Applicants should consider carefully what is most appropriate for their academy or college. Any loan should be realistic and affordable for the trust and the information provided will be checked.

Applications for CIF loans and energy efficiency Salix loans are made within the CIF application form. Further information, including interest rates and typical repayments, are in **Annex A**.

## Annex A: Loans

Applications for CIF or energy efficiency Salix loans are made within the CIF application form on the [CIF online portal](#).

Academies, sixth-form colleges and VA schools who choose to apply for a loan will be eligible for additional points under the Project Cost criterion than if they had applied for their project to be funded through grant alone. However, the overriding element of any application is project need.

Assessment under this section will be based on the ratio of loan to grant. For example, a project funded 100% by a loan will see a greater increase in score than a project funded 30% to loan and 70% grant or for energy efficiency Salix Loans.

In keeping with our principles of equality for academies with the maintained sector, we provide CIF loans at Public Works Loan Board rates of interest. These rates are the same that local authorities can access to invest in their schools. The interest rates that will be used for the programme are set out below and a [loan calculator](#) is available.

Duration of loan (years)	Interest rate (%)	Total repayable on a loan of £100k	Annual repayments over period of loan
2	2.49%	£103,750.31	£51,875.15
3	2.42%	£104,878.57	£34,959.52
4	2.36%	£105,968.80	£26,492.20
5	2.31%	£107,035.48	£21,407.10
6	2.28%	£108,129.87	£18,021.65
7	2.25%	£109,200.17	£15,600.02
8	2.23%	£110,293.07	£13,786.63
9	2.22%	£111,424.75	£12,380.53
10	2.22%	£112,611.82	£11,261.18

Table 11: Public Works Loan Board rates example

## Affordability tests

Before deciding whether to apply for a loan, you must consider the affordability of repayments. We will apply a number of tests to assess the affordability of proposals and your Funding Sources and Savings score will be adjusted accordingly where the affordability tests are not met.

Please do not apply for a loan if you do not meet the loan tests.

Applicants failing to pass these tests will not be eligible to receive a loan – but may still be considered for grant funding if scored highly in other assessment criteria.

We do not expect you to submit additional documents, such as financial statements, to support affordability testing. We will obtain the information from the relevant sources.

### Affordability tests for academies

1. The total of the annual loan repayment for the academy, all existing loans (including Salix loans) plus future loans (including loan being applied for), must be less than 4% of the revenue grant ('GAG') that the academy was allocated in 2019 to 2020.
2. The academy trust must not be under a Financial Notice to Improve or 'minded to' Financial Notice to Improve.
3. The academy trust's external auditor must not have modified their report on regularity of the financial statements.
4. The trust's last audited financial statements must show that the trust was in cumulative revenue surplus.
5. The trust's latest budget forecast return must show a forecast revenue surplus, at August 2020, equivalent to 3% or more of the GAG allocation.
6. The trust's last audited financial statements must show that the trust has a current ratio of at least 1:1 (the 'current ratio' is the ratio of an organisation's current assets to its current liabilities).

### Affordability tests for sixth-form colleges

1. The annual repayment must be less than 4% of the revenue grant that the sixth-form college received from DfE in academic year 2019-20.
2. The sixth-form college has a financial health assessment of satisfactory, good or outstanding.

## Affordability tests for Voluntary Aided schools

1. The total of the annual loan repayment for the requested loan, plus the annual loan repayment for any existing CIF loans approved in previous funding rounds, must be less than 4% of the revenue funding the school was allocated in 2019-20.
2. The school must confirm it under no financial notice from the relevant local authority.
3. The school's own budget forecast must show a forecast cumulative revenue surplus to the end of the forecast period.

## Repayments

Repayments are made through a reduction in the general annual grants (GAG) payments made by the DfE. Repayments taken from GAG payments as the savings generated from carrying out the work are revenue savings rather than capital, resulting in lower running costs.

You can repay your loan early without early repayment charges. You can use the [loan calculator](#) can be used to show the impact of early repayment.

## Energy Efficiency Salix loans

You can also apply for energy efficiency loans for condition improvements works that will lead to annual energy savings. These loans are also known as [Salix loans](#), as the assessment of the energy savings will be carried out by Salix Finance. These Salix loans are only available through the CIF funding application process.

We fund and administers Salix loans directly from the CIF budget. We do not charge any interest on these loans. By providing Salix loans at 0% interest, as part of the CIF allocations, we can support more projects as the repayments are recycled to fund future energy efficiency projects. This helps ensure academies, sixth-form colleges and VA schools embed the principle of energy efficiency in their long-term maintenance and business planning, freeing up funds to invest in their other priorities.

HM Treasury have already approved Salix loans so you do not require additional approval to take out these loans.

## Projects that can apply for a Salix loan

We expect the following types of projects to apply for a [Salix loan](#) as part of their funding package:



- boiler and heating systems replacement/refurbishment
- window projects
- roofing projects
- curtain wall / cladding projects

Other energy efficiency works such as replacing lighting or implementing new technologies that have an energy efficiency focus are unlikely to be successful for CIF funding.

## Projects wholly or partly funded by a Salix loan

Projects can be wholly funded by a Salix loan or partially funded by a loan with the remainder by a grant or third-party funding. The value of the loan for heating projects can be calculated using the Energy Savings Support Tool on the Salix website, which will help you estimate the likely savings as a result of undertaking the proposed works.

If you offer to contribute to project funding through a Salix loan, the project may receive a higher Project Cost score. The minimum value of a Salix loan is £8,000. The loan payback period is normally over an 8-year period.

We do not approve Salix loans below £8,000.

Although it is not mandatory, we strongly encourage those applying for boiler and heating works to request at least part of the project to be funded using a Salix loan as in most cases replacement boiler projects will lead to annual energy savings.

We may decrease the value of the requested loan amount following the assessment by Salix, if their assessment shows that the planned energy savings are insufficient to pay back the loan amount within the required time period. If the application is successful, the reduction in Salix loan funding will be replaced with CIF grant funding.

Salix loan repayments will be taken in the same way as the CIF loan repayments.

## Annex B: Feasibility study

A feasibility study looks at whether a project is viable and helps identify the best option for delivery.

For all CIF projects the feasibility study should include an evaluation and analysis of the proposed project. This should be based on a detailed scope of works and in some cases an extensive investigation of the current site and property. It should confirm that all aspects of the project have been effectively considered and that the preferred option will provide the best chance of success and value for money.

The aim of the feasibility study is to objectively and rationally identify the strengths and weaknesses of the proposed project. You should provide information on opportunities, issues and threats that could be present and could either support your project or create problems. You also need to confirm the resources required to deliver the project on time and on budget.

### What to include in a feasibility study

The feasibility study for the project on the proposed site should include, but not be limited to:

- project description and evaluation
- demonstration of need and scope of works proposed to address the need
- full details of surveys undertaken or planned
- what is the design solution and why will it work
- detailed professional and robust cost management plan or a contractor's cost estimate
- an outline of planning requirements and evidence of planning permission (if appropriate)
- benefits/constraints of the project
- site issues affecting the project, site entrances, disturbance to local residence
- knowledge of location of utilities or the location and extent of asbestos and any cost savings as a result of the project
- how is this project affordable and able to demonstrate value for money
- risk analysis and mitigation in a comprehensive risk register for the entire project and specifically deliverability of the works in a teaching and learning environment
- what will happen if an emergency occurs, fire, flood etc.
- who are the professional Project Management team and what's their track record
- capacity and capability of the academy's Project Team
- a detailed plan of the required resources and where they will come from
- what will the procurement route be and why is this the best value for money

## Annex C: Risk Protection Arrangement (RPA)

The DfE's Risk Protection Arrangement (RPA) is a voluntary arrangement for academies and free schools. It is an alternative to insurance through which the cost of risks that materialise will be covered by government funds.

RPA automatically provides cover for damage to any existing structure owned by a RPA member or for which the member is responsible, up to the full reinstatement value of the existing structure.

The RPA does not need to be notified when works are being undertaken and the school's existing structures will continue to be covered for the duration of the works. The RPA also provides automatic cover for damage to contract works, cover is limited to £250,000 for any one claim.

### Where the cover provided by the RPA is not sufficient

RPA members cannot agree to insure either the existing structure or contract works in 'joint names' with the contractor, nor can it agree to obtain a waiver of subrogation from its insurer. RPA is not insurance and is unable to provide 'joint names' cover or waive subrogation rights against any party including the contractor. The options available to the RPA Member are as follows:

#### 1. Existing Structures

RPA Member to cover the existing structures under the RPA, the contractor to retain any responsibility for any damage that he causes to the existing structure. The contractor can cover this risk by way of a third party public liability insurance policy.

#### 2. Contract works – either the:

- a) RPA Member may rely on the cover provided by the RPA (limited to £250,000 any one claim) and the contractor to retain any responsibility for any damage that he causes to the works. The contractor can cover this risk by way of a third party public liability insurance policy; or
- b) RPA Member may take out separate insurance for the works in the joint names with the contractor to cover the full value of the works for the duration of the works; or the
- c) RPA Member may require that the contractor take out insurance for the works in joint names with the RPA Member to cover the full value of the works and for the duration of the works.

Members should think about and build these costs into their overall project costings to ensure the overall costs remain transparent and are fully budgeted for.

Further information can be accessed via the [RPA welcome pack](#). To discuss the cover provided by RPA, you can contact the RPA advice line on 0117 9769 361 or email [RPAAdvice@willistowerswatsonsecure.com](mailto:RPAAdvice@willistowerswatsonsecure.com).



Department  
for Education

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