

Charities – Maintained Voluntary Aided and Controlled Schools

Voluntary (aided or controlled) schools usually comprise two charities that work interdependently, the governing body, a corporate body created under the School Standards Framework Act (SSFA) 1998, which runs the school the charity usually called the **foundation**, which holds the land and buildings on trust for the provision of a school and/or for specified religious and educational purposes.

Each of these charities has its own charity trustees (usually called “site trustees”). Governors are charity trustees.

Refer to Deputy Director of Education for information of the trustees of the foundation.

The ‘school’ is the charitable activity of the governing body, not an entity in itself.

Use of Site

It is implicit in the purpose of the charity that the governing body can use the site for its charitable activity ‘school’ **without** lease, licence or other agreement.

The governors **have** ‘control of the premises¹’ to decide on occasional or regular lettings. Governors also decide on significant other uses e.g. Pre-School, Private Nursery, and Out of Hours Clubs etc. Where the governing body does not run these, the foundation trustees will be party to the legal agreement that allows the other party to occupy the site. The legal agreement will be a **Transfer of Control Agreement**. The legal agreement is on commercial terms.

The governing body should not agree to a use of the premises that is contrary to the purposes and practices of the Church of England.

Only the Foundation governors of the governing body can decide the use of the premises on Sundays.

Revenue or Capital Expenditure

Revenue work to the premises is Local Authority liability, but the funding is delegated to schools being part of the Direct Schools Grant (DSG). There is no governing body contribution to revenue work in voluntary aided schools. All work costing less than £2,000 is automatically revenue expenditure.

All **capital** work at Voluntary Controlled (VC) school premises is Local Authority liability.

All **capital** work at Voluntary Aided (VA) school premises is **governing body liability**.

Capital Includes - Purchase of computer hardware and software where these are to be capitalised. However, capital cannot be used for leasing of IT equipment and warranties as these must be funded from revenue

Capital Grant – School Condition Allocation (SCA)

This is grant distributed to a 'Responsible Body' for allocation on priority condition work. Priority condition work as prioritised in the schools Asset Management Plan (part of the Estate Management Plan) are those items that if left unattended could close the school if the school is not water tight or heated e.g. boiler replacement or roof.

The 'Responsible Body' for VC schools is the Local Authority; for VA schools it is their diocese.

The VA strand of Condition capital is the **Schools Conditions Allocation (SCA)**. SCA is an annual programme that runs with the financial year (April to March). A letter is sent VA head teachers and Chairs receive a letter from the Diocese early in the Autumn Term inviting them to submit bids for funding in the next financial year. The bid includes; what the work is (with feasibility report), why it needs to be done; the budget cost; how long it will take. VAT is applicable on all condition works. Charities cannot reclaim VAT.

Schools should work with an appointed Principal Designer (the Diocese holds a list of "approved" Principal Designers). School governors **always** have to contribute 10% of the grant. A few VA school foundations have endowment funds, which may assist governors with their liabilities.

Diocesan consent and approval is required for capital works in all schools and academies. Please complete forms on website

The DFE Blue Book provides guidance on VA Capital – a copy is available from the Education Team.