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| CRAMP 2020-2021A Guide for Managing Capital Repairs and Maintenance Programme  |
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| **Llandaff Education Executive** |   |   |

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**Cramp Process Checklist**

## Annually

On the “Annual Repairs and Maintenance Review” form, complete the schedule of projected capital spend within the school for the next 12 months (strategic capital plan). The aim of this form is to allow the Diocesan Office to allocate grant funding of circa £130k from Welsh Government appropriately. School will be notified of the allocation of funding to agreed projects based on decisions of the Schools Buildings Committee.

**Cramp Claim Process**

Once the agreed project has been finalised, complete form “Annex 4 – Application for Planned Capital Repair and Maintenance Programme”, which details the nature of the work and the cost thereof. It is important that a minimum of 3 quotes are obtained (with the exception of DSU work) and the number of quotes obtained is noted. The completed form needs to be sent to Deborah Griffiths at the Diocesan Office together with a receipted VAT invoice (which has already been paid by the Governing Body (GB).

The receipted invoice forms part of the quarterly claim process with Welsh Government (WG). Claims are made on a quarterly basis for 85% of the gross invoice value and reimbursement by WG is usually by the end of the month following the quarter in which the claim was made.

Once funds have been received from WG the School GB is then reimbursed by the Diocesan Office. The cost to the GB is therefore 15%.

 **Example Scenario**

Capital project undertaken at School A which costs £5,000 + VAT. Invoiced cost of project

|  |  |
| --- | --- |
| Cost (net) | £5,000 |
| VAT (at 20%) | £1,000 |
| Total (gross) | £6,000 |

Invoice total of £6,000 is paid by the Governing Body (ensure LEA informed that VAT is not recoverable on this invoice).

Cramp claim made (85% of gross value) £5,100 Governor cost borne in budget (15% of gross value) £900 Total £6,000

Annual Repairs and Maintenance Review:

**School:**

|  |
| --- |
| **Please comment on the overall condition of your school buildings...** |
| **Repairs that you expect to complete during the year beginning****April 2015.****N.B. These are the projects that will be considered for funding** | **Estimated Costs****£** |
|  |  |
| **Other projects and strategic proposals planned for the next 5 years** |

Please return the completed form to the Diocesan Education Office:

 deborahgriffiths@churchinwales.org.uk

**Annex 4 Voluntary Aided Schools:**

**Application for Planned Capital Repair and Maintenance Programme**

Prior approval must be obtained from your Diocesan Director before work commences

**Guidance Notes**

1. Before completing this form, you are advised to read these guidance notes in conjunction with “The Planned Capital Repair and Maintenance Guidance”.
2. Use this form for claiming grant aid on Planned Capital Repair and Maintenance Programme.
3. Quotes must comply with the procurement threshold (please refer to your relevant Diocesan Office for further information).
4. Application for Planned Capital Repair and Maintenance Programme must be claimed within the financial year (1st April – 31st March) that the work was undertaken.
5. Applications for Planned Capital Repair and Maintenance Programme will not be processed until the claim totals £500, unless the total value needs to be claimed within the relevant financial year.
6. Invoices relating to Planned Capital Repair and Maintenance Programme must be retained by the school for audit purposes and a copy MUST be sent to the Diocesan Office with your claim. Where the Local Authority holds the original invoice then copies are acceptable.
7. For Value Added Tax (VAT) queries please refer to the HMRC website

[www.hmrc.gov.uk](http://www.hmrc.gov.uk/) for further guidance.

## Annex 4 Voluntary Aided Schools:

**Application for Planned Capital Repair and Maintenance Programme**

Name of School

**School Number**

**Please provide a clear description of the Planned Capital Repair and Maintenance undertaken**

|  |  |  |
| --- | --- | --- |
| Description of Planned Capital Repair andMaintenance | VAT (if applicable) | Cost of Works (£) |
|  |  |  |

**Please enter the number of quotes obtained**

**Name of Contractor**

**Total Cost of Work £**

**Total Cost (85% of claim) £**

**Declaration**

I certify that the entries in this form are correct, that all invoices to support this claim are retained by the school for audit purposes and copies of the relevant invoices are enclosed.

AUTHORISED TO SIGN FOR AND ON BEHALF OF THE ABOVE MENTIONED VOLUNTARY AIDED SCHOOL

Signature: Date: Name:

Position in Organisation:

Please give details of your preferred method of payment

|  |  |
| --- | --- |
| BACS Transfer | Cheque |
| Account Number: | Name of payee: |
| Sort Code: |

When completed, please retain copy of the claim form along with the receipted invoice. Forward the original claim form and

copy of the receipted invoice to your respective Diocesan Office.

**ANNEX 4**

**VOLUNTARY AIDED SCHOOLS CAPITAL GRANT PROGRAMME – PLANNED CAPITAL REPAIR AND MAINTENANCE EXPENDITURE.**

 Function: Guidance

Subject category: Capital Repair and Maintenance

Audience: Diocesan Directors, VA school governing bodies, headteachers, local authorities and consultants.

Date of Issue: April 2010.

This guidance supersedes previous guidance relating to Division of Responsibility between the Local Education Authority and school governors for work at Voluntary Aided Schools, issued in February 1999.

Further Information: Contact the Capital Funding Branch, Department for Children Education and Lifelong Learning, Cathays Parc, Cardiff, CF10 3NQ. Telephone 02920 826070: Fax 02920 826109

**Introduction: The Basic Principles Who is responsible for what?**

Responsibility for work to VA school premises is shared between the school’s governing body and the local authority (LA). Liabilities will usually fall into 2 main categories: initial provision and repairs.

**VA governing bodies are liable for:**

VA governing bodies are responsible for:

* 1. any liability incurred by the GB, former governors and any trustee in connection with the provision of premises or specified equipment for the purposes of the school
* external repairs to existing buildings, to include external redecoration but *not* ordinary maintenance such as the servicing of equipment (e.g. Sewage pumps) cleaning (e.g. Sandblasting stone/brickwork, removing graffiti, moss etc) or rodding drains, all of which are the responsibility of the LEA;
* any alterations necessary to ensure the school buildings comply with the Education (School Premises) Regulations 1999.

**However, the LEA is responsible for:**

* repairs to the interior of the premises;
* repairs to those buildings necessary in consequence of the use of the school premises in pursuance of a direction/requirement of the LEA, for purposes other than a school (e.g. for use as a polling station).

LEA liability for repairs to the interior of the school buildings includes the replacement with up-to-date items serving the same purpose. However, where items are replaced by superior products to meet Constructional Standards, then such items may not be classified as a repair of an existing item, but as alterations (improvements) and become the financial liability of the governing body. *In cases of uncertainty, advice should be sought from the Department for Children Education and Lifelong Learning, Capital Funding Branch – 02920 826070*

LEAs are also responsible:

* for perimeter fencing and walls;
* school meals kitchens, including drains there from to junction with other drains, kitchen yard and bin screens, server and storage for dining furniture;
* dining hall;
* medical inspection room/facilities;
* caretaker’s house, to include drains there from to junction with other drains;
* outside games and grounds man’s stores;
* playing fields (including sports pitches and hard surfaced games areas).

**Delegated funding**

Under existing arrangements, schools may have responsibility for certain maintenance works delegated to them by the LEA, together with associated funding through their delegated schools’ budget. In line with Section 48 of the School Standards and Framework Act 1998, LEAs are required within their ‘***Scheme for Financing Schools****’* to include a statement identifying the categories of work which governing bodies will be expected to finance from their school budget shares. (If *you do not have a copy, please contact your local education authority to obtain a copy of the scheme*). Where a VA school wishes to carry out building work, the governors may only claim grant aid on the statutorily defined governor’s portion of the costs. The LEA portion must be paid for either directly by the LEA or, where it has been devolved to the school, by the governors out of their delegated budget without grant aid.

**VAT**

Any questions regarding VAT on capital works should be referred to HM revenue and Customs ([www.hmrc.gov.uk](http://www.hmrc.gov.uk/))

**Initial Provision**

Experience has shown that there is some confusion over the term ‘initial provision’ within the capital repair and maintenance element of the VA Capital Programme. It is important that you should note that ‘initial’ provision does not necessarily equate to ‘new’ provision. Please refer to the current guidance

Briefly, certain items are statutorily defined (see part 2 of Schedule 3 to the School Standards and Framework Act 1998) as governors’ responsibility for *initial* provision and the LEA’s for repair and maintenance. Their provision will, therefore, be eligible for grant aid if they currently do not exist in the school. However, once that item is in place, it becomes the responsibility of the LEA to maintain and repair it. If the item is in such a poor state of repair that it can only be repaired by replacing it, this is still the LEA’s responsibility even though

the net result is the provision of a new item. The only circumstances in which the responsibility will transfer back to the school are where the item in question no longer meets the requirements of the Education (School Premises) Regulations 1999 or Constructional Standards and a new item is to be provided which will comply with requirements.

Some items are *always* governors’ liability or *always* LEA liability, for both initial provision and repair. For example, external fire escapes are always the responsibility of governors, while fire extinguishers and fire blankets are always the responsibility of the LEA. This guidance refers only to LEA responsibility, all other items not listed are deemed governor’s responsibility.

##### What do we mean by ‘capital’ and ‘revenue’ work?

Revenue work:

All revenue work to the premises is LA liability, but the funding is normally delegated to schools, however, schools should check with their respective local authority. There is no statutory governing body contribution to revenue work.

Capital expenditure:

We use the broad definitions provided by the Chartered Institute of Public Finance and Accountancy (CIPFA) in their Code of Practice on Local Authority Accounting in Great Britain. For VA schools this is defined as set out below

*“Enhancement”, in relation to any asset, means the carrying out of works which are intended:*

* + 1. *to lengthen substantially the useful life of the asset; or*
		2. *to increase substantially the open market value of the asset; or*
		3. *to increase substantially the extent to which the asset can or will be used for the purposes of or in connection with the school concerned.*

The following examples are intended to provide guidance on how to decide what might be regarded as revenue (paid for from delegated school budgets) and capital expenditure.

**Example A**: *Small repairs to playgrounds (filling individual potholes etc.) should usually be met from revenue funds, because this would be regarded as normal repair and maintenance work. If the whole of the playground needs to be resurfaced, then this might reasonably be regarded as a capital item.*

**Example B**: *A windowpane has been broken and requires a new pane of glass; this will be a revenue cost to be met from the schools delegated budget. If, however the window frame needs to be replaced then this will be a capital repair and will be eligible for grant assistance. In the event of multiple breakages through vandalism, then this may qualify for grant aid, but you will need to advise how you intend to prevent further acts of vandalism at the school.*

Additional examples of repair and maintenance works and division of responsibility

***EXAMPLE 1:*** *The carpet in a classroom is in a dilapidated condition and cannot be patched up. It needs to be replaced. This would be the responsibility of the LEA. Although the result is a new carpet, it will not be initial provision*.

***EXAMPLE 2:*** *The heating system in a school is old and while it maintains temperatures to the required standard, it is not particularly efficient in terms of output in relation to energy costs. It is decided to replace the boiler with an up-to-date, energy-efficient model. The boiler is new (but not initial) provision and would be an LEA cost. Although* ***initial*** *provision is eligible for grant aid, once the heating system is installed, it becomes the responsibility of the LEA to repair and maintain it* ***even if its repair can only be effected by means of replacement.*** (But see Example 3)

***EXAMPLE 3:*** *A school’s heating system is old and cannot be regulated: temperatures cannot be maintained in accordance with the School Premises Standards and a new boiler is installed. This would be eligible for grant aid - the work is needed to bring the system up to prescribed standards*. **Confirmation that this is the case will be sought**.

***EXAMPLE 4:*** *Due to age, a ceiling in a classroom needs to be replaced This is an LEA cost - it is a new ceiling, but it is replacing an existing ceiling even though it may be of a different specification e.g. replacing solid with suspended*. (But see Example 6)

***EXAMPLE 5:*** *A leaking roof has allowed water to seep through and a ceiling has, as a result, suffered severe water damage. If par/or the whole of the roof must be repaired or replaced to prevent future problems and the ceiling is also included in the repair project. In this instance, the replacement ceiling* ***is*** *eligible for grant as it is part of the governors’ larger responsibility for a roof repair/replacement.*

***EXAMPLE 6:*** *As a school has expanded over time, the ratio of toilets to pupils has decreased and a number of new toilets and hand basins need to be provided. This is eligible expenditure for grant aid. Not only are the toilets initial provision but they are needed to bring the school up to the requirements of the School Premises Regulations.* (But see Example 7)

***EXAMPLE 7:*** *Old toilets are becoming increasingly difficult to keep clean as damage through wear and tear causes chips to appear. It is decided to replace the toilets with brand new ones as part of a refurbishment of toilets and cloakrooms. This is LEA expenditure - like the heating system, initial provision is governor’s responsibility, but the maintenance and repair are the LEA’s and again, this includes repair by replacement.*

##### Frequently Asked Questions

###### How much capital grant can I claim?

The standard rate of grant is 85%. This means that, for work which is the governing body’s liability and which (for example) costs £5,000, you can claim grant of £4,250. LAs have the power to help a VA school governing body with their statutory 15% contribution.

***Who do I submit my claims to?***

All claims must be submitted to your Diocesan Director.

***How do I claim?***

Completion of claim form Annex 4.

***Do I need to provide receipts?***

Receipted invoices need to be provided with the claim form.

***Do I need to seek permission to claim?***

Yes, you will need to seek permission from your Diocesan Director.

***What paperwork do we send into the Welsh Government?***

Schools will not be required to send any paperwork to the Government, unless requested by officials in the Capital Funding Team.

**The following indicate those items that are the responsibility of the LEA and may have been delegated to the school.**

1. ***SCHOOL BUILDINGS* Liability**
	1. **Foundations** (below top of ground floor slab)

Ducts and duct covers (internal) LEA

Foundations to internal walls, dpcs LEA

Ground floors, floor slabs, hardcore filling LEA

Waterproof membranes to floor slabs LEA

* 1. External Walls

Internal Chimney stacks and flues LEA

Graffiti/moss removal LEA

Rainwater pipes and soil stacks (internal) LEA

* 1. External Windows and Doors

Bolts, door closures, panic bolts - internal LEA

Linings, beads and casement stays - internal LEA

Secondary Glazing LEA

Sound proofing LEA

Window winding gear - internal LEA

* 1. Internal Walls, Partitions and Doors

Nonstructural partitions LEA

Brick, block, studded, chimney breasts and flues LEA

Damp proof rendering applied internally LEA

Fire screens, glazed partitions, internal windows LEA

Glass upgrading and safety film LEA

Internal doors, floor springs, door closures, locks, bolts, etc

LEA

Sliding/folding screens LEA

|  |  |  |
| --- | --- | --- |
|  | Steel sheet coverings to doors (secure stores) WC Lavatory, toilets, partitions/cubicles Internal finishes of external wallsInternal walls and load bearing partitions Internal joinery fixtures | LEA LEA LEA LEA LEA |
| **1.5** | **Roofs** |  |
|  | Rainwater pipes - fixed internally | LEA |
|  | Trusses (not trussed rafters) | LEA |
|  | Roof playground - finish and fencing | LEA |
| **1.6** | **Floors and Staircases - & see Foundations (1.1)** |  |
|  | Staircases, handrails and balustrades | LEA |
|  | Suspended floors and sleeper walls | LEA |
| **1.7** | **Suspended Ceilings** |  |
|  | Fire Stops | LEA |
|  | Insulation | LEA |
|  | Structure | LEA |
| **1.8** | **Internal Finishes - Floors and Stairs** |  |
|  | Carpets stuck down on sub-floors | LEA |
|  | Door mats, loose and fitted carpets | LEA |
|  | Matwells, nosings | LEA |
|  | Wood strip, wood block, vinyl, linoleum, tiled | LEA |
| **1.9** | **Internal Finishes - Walls** |  |
|  | Boarded | LEA |
|  | Brick Pointing | LEA |

Plastered, dry lined LEA

Skirtings, chair and dado rails LEA

Tiled, including splashbacks to sinks LEA

* 1. Internal Finishes - Ceilings

Hardwood or softwood boarded LEA

Plaster/repair of laths & plaster/plasterboard/ceiling tiles

LEA

Suspended (grid system) LEA

Upgrading for fire rating LEA

* 1. Electrical Installations

Air conditioning & ventilation LEA

Alarm, emergency, fire and time systems etc LEA

Cabling for computer networking LEA

Class change systems LEA

Display lighting, shades etc LEA

Drama and stage lighting (for school purposes only)

LEA

Electric current protection, RCD units LEA

Emergency Lighting LEA

Electrical emergency – specified items LEA

Extractor fans - internal LEA

Fan connectors - fixed LEA

Fire alarms, smoke detectors LEA

Hand driers, hygiene equipment LEA

Heaters and ventilation LEA

Internal lighting, light fittings (not shades) LEA

Lifts, heists, lifting aids, electrically operated doors

LEA

Mains distribution from meter LEA

Portable fans LEA

Power points and sockets including low voltage LEA

Power sockets on wall benches and computer worktops

LEA

Public address and sound amplification systems LEA

Radio/TV Aerials cabling and sockets LEA

Telephone extensions and equipment LEA

Telephone Installation and first socket LEA

Temporary classroom – electrical installation LEA

Trunking for telephones, computer networks, etc LEA

Ventilation ducting for dust and fume extraction LEA

Water heaters (non-teaching purposes) LEA

Water heaters (teaching purposes) LEA

Wiring connections to teaching equipment LEA

* 1. Heating Systems

Boiler house electrics LEA

Boiler plant, wiring, controls LEA

Boiler house ancillary equipment LEA

Central heating systems LEA

Chimney stacks and flues - internal LEA

Fireplaces, stoves LEA

Fixed electric or gas heaters LEA

Gas fired/oil fired burners LEA

LP gas and oil tanks LEA

Pipework distribution, valves LEA

Radiators, convectors LEA

Thermostatic valves LEA

* 1. Furniture and Fittings

Blackboards (roller type) and retractable projection screens

LEA

Blackboards, whiteboards (not computer) and projection screens - wall mounted

LEA

Changing room benches, kit lockers, coat hooks LEA

Cloakroom fittings ie lockers, coat hooks, etc LEA

Cloakroom security gates LEA

Curtain rails and curtains LEA

Display boards and display shelving LEA

Fire extinguishers, blankets etc LEA

Fixed fume cupboards and extract flues LEA

Fixed library shelving LEA

Fixed seating to reception areas, common rooms etc

LEA

Fixed stages LEA

Fixed storage cupboards and general shelving LEA

Fixed wall benches, including services and wastes therein, in laboratories, craft rooms, etc (gas, electricity, water)

LEA

Free-standing benches, including services therein in laboratories, craft rooms etc

LEA

Freestanding library shelving LEA

Hand driers, wall mirrors LEA

Hose reels LEA

Kilns LEA

Lockers for pupils’ belongings ie books etc LEA

Name boards and signs (free-standing - external)

LEA

Notice boards, name boards and signs (internal) LEA

PE/Gym equipment LEA

Pelmets LEA

Portable fume cupboards LEA

Portable stages, platforms LEA

Reception hatch/counter LEA

Retractable seating to lecture rooms, sports halls etc

LEA

Shower Curtains LEA

Solar film and sun blinds LEA

Stage curtains and drapes (for school purposes only)

LEA

Toilet roll holders, hygiene equipment LEA

Wall safes LEA

* 1. Sanitary Ware & Sinks (including connections to services, waste pipes to main soil stacks)

Cleaning/caretaker's sinks LEA

Incinerators LEA

Laboratory and classroom sinks (teaching) LEA

Sink in room used for medical inspections LEA

Staffroom sink units (tea/coffee making) LEA

Toilets, urinals, basins, showers, drinking fountains

LEA

* 1. Plumbing and Gas Services - & see Section 1.14

Gas connections to teaching equipment LEA

Hot and cold water and gas services to convenient points for connections to sanitary ware and equipment

LEA

Mixer values (cloakrooms/showers only) LEA

Soil stacks and rainwater pipes - internal LEA

Water and gas connections, and waste pipes to main soil stack, for sinks and wall benches

LEA

|  |  |  |
| --- | --- | --- |
|  | Water sprinkler system (ie fire) Water storage tanks and calorifiers | LEA LEA |
| **1.16** | **Decorations**Internal painting, sprayed finishes to toilets, etc | LEA |
|  | Wallpapering or other applied finishes | LEA |
| **1.17** | **Drainage (from School Buildings) - & see 4.2**Manholes and inspection covers - internal | LEA |
|  | Underground pipes - internal Rodding drains | LEA LEA |
| **1.19** | **Mobile Classrooms** | G/LEA |

2 SCHOOL BUILDINGS: NON-STATUTORY

***(NGA- not grant aided)***

* 1. **Youth Club** - Governors provided

- LEA provided

NGA LEA

* 1. Chapel, Parish Kitchen, Stores, etc NGA
	2. **Parents' Room** G/LEA
	3. Garage (for school minibus) NGA
	4. **Garage (used for teaching purposes)** G/LEA
1. OTHER BUILDINGS
	1. **School Meals Kitchen**

School meals kitchen, including drains therefrom to junction with other drains, kitchen yard and bin screens, servery and storage for dining furniture

LEA

* 1. Dining Hall

Dining Hall (not also used for teaching) LEA

* 1. Medical Inspection Room

Medical inspection room/facilities LEA

* 1. Caretaker's House

Caretaker's house or flat including drains therefrom to junction with other drains

LEA

* 1. Outside Games and Grounds man’s Stores

Outside games and grounds man’s stores LEA

1. Site Issues

Access roads, paths and paved areas, retaining wall thereto

LEA

Boundary Walls, perimeter fencing and gates and retaining walls thereto

LEA

Bus parking and turning areas, fencing and gates

LEA

Car parking, retaining walls thereto LEA

Covered play areas (not part of School Buildings)

LEA

Fire Hydrants LEA

Free-standing/fixed safety railings LEA

Kitchen access roads LEA

Kitchen yards, bin areas, screen walls LEA

Nursery play area fencing and gates LEA

Painting of fencing, gates, railings, etc

Playground and play court fencing (School Site only)

LEA LEA

Playground and play court markings for games LEA

Playgrounds, play courts, retaining walls thereto LEA

Pointing, to boundary walls, retaining walls, etc LEA

Steps and ramps within site LEA

Trees, shrubs and plants LEA

Turfing and grass seeding LEA

Underground ducts - services within ducts between School Buildings

LEA

* 1. Site Fitments

Free-standing drinking fountains LEA

Free-standing flag poles LEA

Free-standing lighting standards LEA

Free-standing school name board and directional signing

LEA

Rubbish bins LEA

* 1. Drains

Drains from 'Other Buildings' (eg School Kitchen) to point of connection with other drains

LEA

Ground and surface water pumps and chambers LEA

Land drainage and culverts LEA

Storm water drains from roads, paths, playgrounds, to point of connection with other

drains LEA

5 SECURITY MEASURES

Security locks (internal windows and doors) LEA

Burglar alarms and panic buttons LEA

Entry Phones LEA

Video surveillance system LEA

Security fencing (around school buildings *not*

site)

LEA

Security lighting - free-standing LEA

6 HABITAT AREAS

Drainage LEA

Fencing LEA

Paths and paved areas LEA

Planting LEA

Water supply LEA

1. PLAYING FIELDS

Court fencing, netting, etc LEA

Electric lighting standards LEA

Games equipment and grounds man’s stores LEA

Hard porous pitches, tennis courts LEA

Pavilion, changing rooms and toilets LEA

Perimeter fencing and gates LEA

1. SUNDRIES

Asbestos removal LEA

Barrier free access ramps, lifts etc - internal LEA

Barrier free access ramps within School Site LEA

Barrier free toilet G/LEA

Clearing graffiti and moss from the School Buildings

LEA

Disabled access ramps, lifts, etc - internal LEA

Disabled access ramps within School Site LEA

Disabled toilet G/LEA

Door safety devices LEA

Induction loop (ie for hearing impaired persons) LEA

Lifts, stair lifts and hoists LEA

Painted white lines for the partially sighted LEA

Rodent and insect infestation measures LEA

Spraying for beetle, woodworm infestation LEA

# Examples of a completed claim form and accompanying receipted invoice can be found on the following pages.

## Annex 4 Voluntary Aided Schools:

**Application for Planned Capital Repair and Maintenance Programme**

**Name of School** A sample Church in Wales School

**School Number** CWS001

Please provide a clear description of the Planned Capital Repair and Maintenance undertaken

|  |  |  |
| --- | --- | --- |
| Description of Planned Capital Repair andMaintenance | VAT (if applicable) | Cost of Works (£) |
| Window replacement – Health and Safety | £1,000 | £6,000 |

**Please enter the number of quotes**

**obtained** 3

**Name of Contractor** A Window Company

**Total Cost of Work** £6,000

Total Cost (85% of claim) £5,100

**Declaration**

I certify that the entries in this form are correct, that all invoices to support this claim are retained by the school for audit purposes and copies of the relevant invoices are enclosed.

AUTHORISED TO SIGN FOR AND ON BEHALF OF THE ABOVE MENTIONED VOLUNTARY AIDED SCHOOL

 Signature: J Jones

Date: 05/10/2015

Name: Jennifer Jones Position in Organisation: Headteacher

Please give details of your preferred method of payment

|  |  |
| --- | --- |
| BACS Transfer | Cheque |
| Account Number:123456101 | Name of payee: |
| Sort Code:08-93-00 |

When completed, please retain copy of the claim form along with the receipted invoice. Forward the original claim form and

copy of the receipted invoice to your respective Diocesan Office.

**A WINDOW COMPANY**

Address, somewhere

A Church in Wales School Somewhere else

Invoice Date: 24th August 2015

Window Replacement

INVOICE Number 1

£

Replacement of windows within building 5,000

VAT (at 20%) 1,000

Total to pay 6,000

Payment terms within 30 days of invoice

Payment received with thanks 15th September 2015 Signed A Window Co

**VAT Guidance**

**Grants from the Welsh Government**

The Welsh Government may make grants of 85% of qualifying expenditure to Governing Bodies (GB) of VA Schools in order to help them meet their responsibilities. The education departments in Wales understand that VAT will not be recoverable by the Governing Body in respect of this expenditure and therefore their grant includes funds to cover the irrecoverable VAT costs. VA school Governing Bodies are expected to meet the remaining 15% of costs from their own resources although paragraph 8 of schedule 3 SSFA allows LEAs to contribute to the Governing Bodies 15% contribution, if they so wish. From 1 September 2009, where LEAs have contributed towards a Governing Bodies capital expenditure to assist Governing Bodies in meeting their own 15% contribution for capital works, or to subsidise certain projects – VAT is not recoverable by the LEA on such contributions.

The GB cannot reclaim VAT on capital works for which it is responsible and towards which it has used any type of VA Capital grant. The only situation in which the LA can reclaim VAT in respect of a VA capital project is when it has undertaken the work and/or paid for it entirely from LA resources without any recourse to VA grant from the Welsh Government.

***VAT is not recoverable on work for which a Welsh Government VA grant has been used.***

##### Example scenario

Capital project undertaken at school A which costs £5,000 + VAT.

|  |  |
| --- | --- |
| Invoiced cost of project |  |
| Cost (net) | £5,000 |
| VAT (at 20%) | £1,000 |
| Total (gross) | £6,000 |

Invoice total of £6,000 is paid by the Governing Body (ensure LEA informed that VAT is not recoverable on this invoice)

Cramp claim made (85% of gross value) £5,100 Governor cost borne in budget (15% of gross value) £900 Total £6,000

Revenue & Customs Brief 53/09

VAT - Recovery by local authorities under section 33 VAT Act 1994 in respect of voluntary aided schools

This Revenue and Customs Brief explains our revised policy on VAT recovery by local authorities on expenditure relating to capital works at voluntary aided schools.

**Background**

Under Section 33 of VAT Act 1994 ('Section 33') specified bodies, including local authorities, are entitled to recover VAT incurred on supplies made to them which relate to their non-business activities. Their provision of free education in state-maintained schools is one such non-business activity.

However, governing bodies of maintained schools are separate legal entities and are not bodies specified in Section 33. Therefore, any VAT they incur in relation to their non-business activities is not recoverable.

Where the local authority has a statutory duty to 'defray' all expenses of maintaining a school, for example, community schools, then any VAT incurred on purchases made by it in connection with these schools is recoverable under Section 33.

However, in the case of voluntary aided schools the governing body retains statutory responsibility for certain capital expenditure, including when made from the school’s delegated budget. Therefore, in respect of any supplies which fall within the prescribed definition of such expenditure, the supply will be made to the governing body, even where the expenditure is met from the school’s delegated budget, and VAT incurred may not be recovered by the local authority. Governing bodies in England receive funding from the Department for Children, Schools and Families (DCSF) of up to 90 per cent of the cost of meeting these responsibilities (and there are similar arrangements in place in the devolved administrations).

Capital expenditure for which the governing body of a voluntary aided school is responsible is defined by DCSF as expenditure relating to:

* the existing buildings (internal and external)
* those buildings previously known as 'excepted' (kitchens, dining areas, medical/dental rooms, swimming pools, caretakers’ dwelling houses)
* perimeter walls and fences, even if around the playing fields
* playgrounds
* furniture, fixtures and fittings – including ICT infrastructure and equipment
* other capital items (which can include capital work to boilers or other services)

**Revised policy**

A local authority is allowed to contribute funding to a governing body to help it meet the cost of its responsibilities. We have to date accepted that local authorities can recover the VAT incurred on expenditure which is the responsibility of the governing bodies but which the authority funds. This is explained in Public Notice 701/30 paragraph 15.5 and ‘V1-14: Government and public bodies’ and ‘V1-07 chapter 21; Education’.

We have reviewed this policy, and we now realise that it goes beyond what Section 33 actually permits. Section 33 is confined to VAT incurred by local authorities etc on the goods and services that they purchase, not on the goods and services that another legal entity purchases. Therefore, with effect from 1 September 2009, with respect to projects initiated after this date, VAT may no longer be recovered by local authorities in these circumstances, as the supplies are not made to them (whether or not paid for from the delegated budget). We will consider, on their individual facts, cases where a project initiated after 1 September 2009 was funded on the basis of the previous policy.

A local authority may, however, continue to recover VAT on expenditure at a voluntary aided school for which the local authority is statutorily responsible, or where the local authority, rather than the governing body, procures a supply of works and pays for that supply from its own funds (for further details please refer to Public Notice 749 Local Authorities and similar bodies paragraph 7.1). In such cases HMRC accept that the local authority receives the supply in connection with its non-business activities.

**What next?**

Guidance currently contained in Public Notice 701/30 paragraph 15.5 and ‘V1-14: Government and public bodies’ and ‘V1-07 chapter 21; Education’ will be amended to take account of this revised policy.

If you have any queries in relation to this, or any other tax matter, please contact the National Advice Service on Tel 0845 010 9000.

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