

Written evidence submitted by The Confederation of School Trusts

Introduction

The Confederation of School Trusts (CST) is the national organisation and sector body for academy and multi-academy trusts in England. We represent over 1,000 trusts, in turn responsible for more than two-thirds of academy schools and the education of almost three million children and young people. CST has frequent contact with those in trust leadership, governance, and operational roles.

Within this evidence we reference provisional figures of CST's School Trust Survey. At the time of writing the survey is still open but represents the views of more than 280 school trust accounting officers.

Capacity of responsible bodies

CST's trust survey found that for multi-academy trusts, 77% of trusts reported having buildings with major defects or not operating adequately. Of those, 60% said they had buildings past their economic life or at risk of failure. This matches the findings of the NAO report.

School trusts assess themselves as having a reasonable understanding of their school buildings, although this can vary depending on the size of the trust. Larger academy trusts are more likely to have specialist, in-house knowledge on estate management than single school or smaller trusts where building management will form part of a more generalised operations role. 80% of multi-academy trusts primarily manage their estates centrally.

There is a mixed understanding of some specific risk issues. For example, asbestos management is well established as a potential area of concern, but there is less widespread understanding of emerging issues such as reinforced autoclaved aerated concrete (RAAC), as highlighted by the NAO.

Impact of building condition on educational provision

Our members are clear that building condition has a direct impact on educational provision, particularly where condition is poor. One trust commented that: "The delivery of educational provision is impacted significantly by the environment within which it is delivered. A well-maintained building is well respected by staff, pupils and visitors. A well-presented, clean environment allows people to feel safe and cared for. A positive environment aids the teaching and learning experience."

On a less positive note, one large trust reported losing 25 days of schooling due to closes as a result of estate problems, an average of one day per academy. A smaller trust detailed a school going through two winters relying on plug in heaters due to the failure of the boiler and the rejection of bids to the DfE's Condition Improvement Fund. Less substantial issues can nonetheless cause significant disruption, such as leaking roofs causing the relocation of activities or rooms with extensive glazing and solar gain issues, that are too hot in summer and expensive to heat in winter.

Many CST members raised concerns over rapidly rising energy costs and the impact of this on overall budgets and reserves; while this is a general issue it can also be exacerbated where the school estate has poor condition and low energy efficiency. This can indirectly affect provision by diverting funding from core educational activities.

Capital funding programmes

School trusts receive capital funding in broadly two ways: through the School Condition Allocation for larger trusts (more than five schools with at least 3000 pupils in total, or at least 667 pupils for special and alternative provision) or through an annual bidding round to the Condition Improvement Fund. As identified by the NAO, the overall amount of funding allocated is insufficient to meet the estates backlog. Trusts of all sizes reported a general shortfall in funding for effective maintenance of the school estate, potentially leading to higher overall costs with larger projects put off and 'wasted' interim repair costs.

The Government periodically makes other ad hoc funding available, such as additional capital funding for energy efficiency announced half way through the 2022/3 academic year, and the one-year health pupils capital fund in 2018. While welcome, these can themselves prove challenging as they do not necessarily fit a trust's priorities.

Member trusts have indicated they largely understand the funding procedures but report that the Condition Improvement Fund is significantly oversubscribed leading to unpredictable results. One trust described this process as "something of a lottery. It's very difficult to understand why some projects don't get funded and some do. The feedback is inadequate and the announcement dates are so late as to make it super challenging to get a contractor on site for the summer holiday when you do 'win'."

Several trusts pointed to a growing tendency to use external consultants to prepare bids to CIF, expressing concern that this potentially adds extra cost to the process and that it could skew the awards process.

Trusts welcome the DfE's efforts to improve understanding in this area, such as the academy finance professionals "Power Hour", but feel the processes could be better documented and decision-making more transparent.

Trusts report that revenue funds are used to maintain (fix) and replace assets where needed if CIF bids are unsuccessful. They are also used to refurbish the estate where necessary. The main way this has changed in recent years is that inflationary pressures within school budgets have not been matched by funding increases. This has led to spending on core teaching activities being prioritised, narrowing available funding for estates maintenance. Some trusts report using reserves, which might previously have been used for capital projects, being used for core revenue support.

SCA funding is more predictable in that trusts are allocated an annual allowance, but the level is set on an annual basis making it difficult to plan longer term. This is partially offset by larger trust's ability to pool resources, use reserves, or borrow but this in turn can lead to queries from the ESFA on trust budgets.

Capital funding challenges

Trusts raised a number of challenges, but the most consistent for smaller trusts was the unpredictability of the CIF bidding process and the problems of dealing with long-term estate issues through an annual bidding process. This diverts time and resources from estates planning and in the case of unsuccessful bids can increase overall costs through patching up end-of-life assets.

Trusts would welcome the ability to plan on a more long-term basis; one suggested the model of the former Salix loans scheme, which offered interest-free loans for energy projects.

For small schools, often dealing with legacy Victorian buildings, maintenance costs can be disproportionate. This provides challenges in day to day operation, but also makes them less attractive to potential trust sponsors that might otherwise be able to support their long-term viability.

Some smaller trusts raised concerns about their ability to have a strong overview of all condition aspects, and the knowledge to effectively prioritise them.

Support from Department for Education

Member trusts are generally positive about the DfE's support and guidance on the principles of estate managements and, with some exceptions, its documentation of current sources of funding that are available. However, there is a consistent view that a lack of funding means that these do not fulfil their stated goal, with trusts restricted in their ability to invest in long-term capital projects. One trust gave the example of a CIF bid to replace a 20-year-old flat roof that has already been patched up several times; guidance would suggest the most efficient and effective route would be to replace but the bid was rejected. There is a widespread feeling that there is a lack of consistency in the award of CIF funding.

On estates data, trusts expressed some concern that there is insufficient benefit to trusts for the effort required in submitting estates data to the DfE. Where the DfE conducts surveys, such as the recent Condition Data Collection 2, there can be significant delays between the exercise and trusts receiving any outputs; what is received is not sufficiently detailed to be used for the DfE's own bidding processes resulting in duplicated work. This limits the usefulness and cost-effectiveness of the national survey work.

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