 **Academies Property**

 **Information**

 **Note M**

# Self-funded building project

| This Project Information Note M explains how you either notify us of your intention to self-fund a building project or apply for consent in the specific situations identified below. |
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To ensure you use the right information and form, please also refer to:

* [the Introduction to academies property information notes;](http://www.education.gov.uk/aboutdfe/executiveagencies/efa/efafundingfinance/b00212638/efa-academies-capital/academypins)
* [Which Form;](http://www.education.gov.uk/aboutdfe/executiveagencies/efa/efafundingfinance/b00212638/efa-academies-capital/academypins)
* [The Glossary](http://www.education.gov.uk/aboutdfe/executiveagencies/efa/efafundingfinance/b00212638/efa-academies-capital/academypins).

In most cases you do not require consent for a building project that you are paying for using reserved funding or funding from other sources. You will need consent if you intend to take out a loan. We also need to be clear on the impact on your financial position. There are also four specific situations in which you will need formal consent. These are:

* Under the terms of the [Academies Financial Handbook](http://www.education.gov.uk/aboutdfe/executiveagencies/efa/efafundingfinance/b00212647/external-assurance/academies-financial-handbook), where the transaction is novel or contentious; Please apply using [Form M](#FormM) or where an operational lease is involved in which case, please use Form N, and/or
* Under paragraph 17 of Schedule 1 of the Academies Act 2010, if the building is going to be placed on playing field land you hold on a lease from the local authority. If both these apply, please refer to [this guidance](http://www.education.gov.uk/schools/adminandfinance/schoolscapital/a0010907/sale-of-school-land) as the local authority (or you, with their consent), will need to apply for a “[change of use](http://www.education.gov.uk/aboutdfe/advice/f00216527/advice-school-playing-field-protection)”. If you own the freehold of your land, apply using [Form M](#FormM), and/or
* The proposal is to accommodate a significant increase in pupil numbers. Before applying using [Form M](#FormM), you will need to have obtained consent for the increase. Please refer first to the [significant change](http://www.education.gov.uk/f00225305/making-changes-special-academy) guidance for further information, and/or
* You are currently forecasting a deficit or funding the project involves a loan –including from a contractor or from a Sponsor or Multi Academy Trust.

You do not require separate consent for the building project if you have been awarded funding for the building project under one of the capital programmes funded by the DfE or EFA, including Free Schools, Priority Schools Building Fund, Academies Capital Maintenance Fund or the 16-19 Demographic Growth Capital Fund. The project may, however, still need consent for any land acquisition, land disposal, lease or easements involved.

Do not sign any contract or “letter of intent” until you have received written notification of the Secretary of State’s decision.

Whether or not you require the Secretary of State for Education’s consent, you will still need to obtain all other consents under the Planning Acts, Construction Design and Management Regulations and Building Regulations as well as from a superior landlord or the local authority as appropriate and to follow correct procurement procedures as set out in in [Managing Public Money](https://www.gov.uk/government/publications/managing-public-money) and the [Academies Financial Handbook](http://www.education.gov.uk/aboutdfe/executiveagencies/efa/efafundingfinance/b00212647/external-assurance/academies-financial-handbook).

[Form M](#FormM) should be used where you plan to build new accommodation or extend your existing buildings using your own funds. It does not include funding by borrowing or funding by disposing of assets without prior consent (see the [Academies Financial Handbook](http://www.education.gov.uk/aboutdfe/executiveagencies/efa/efafundingfinance/b00212647/external-assurance/academies-financial-handbook) )

#### Step 1 Decide which form to submit

Double-check whether [Form M](#FormM) is the right form for your proposal as using the wrong one could result in wasting time providing information that may not be required. If you are unsure, browse  [Which Form?](#WhichForm) to decide what form is appropriate or when Form L has to be submitted in support of another form, e.g. when you are entering or granting a lease. You may also find the [Glossary](#Glossary) helpful.

#### Step 2 Evaluate the options

Notification of your proposals or applying to us for consent will normally follow an options appraisal as set out in the [Academies Financial Handbook](http://www.education.gov.uk/aboutdfe/executiveagencies/efa/efafundingfinance/b00212647/external-assurance/academies-financial-handbook) .Depending on the level of complexity of the decision and the range of expertise you have within the academy trust itself, you may need external legal, financial and independent property advice to support the appraisal process. Your assessment will look closely at the project’s need and its affordability relative to your financial position.

[Form M](#FormM) indicates the anticipated timescale for a decision from the Secretary of State following the receipt of all the information required. You should build the time to appraise all the options as well as the EFA’s assessment process into your programme.

#### Step 3 Estimate building costs and timing

Decide what further professional advice you need to take – including on the procurement route. In the majority of cases, it is important to provide an estimate of all building costs including any fees and VAT with your application prepared by a suitably qualified professional. This provides the confidence that the estimate is soundly-based. The degree of detail required will be proportionate to the scale of the project and if, to be executed under a design and build contract, a form quotation from the contractor may be sufficient. A rough quote from a builder hoping to secure the project will not suffice.

Decide if you want to tender the building project before or after you have obtained the Secretary of State’s consent. We strongly advise that you seek consent before tendering to avoid having to pay for design and tendering costs with the risk of consent not being granted. If the actual cost increases significantly above what has been approved, you will need to obtain a revised consent.

Be sure to allow for the time to collect all information, to appraise all options and for the EFA’s assessment process.

#### Step 4 Submit the application

Once you are sure you have provided all the information requested in Form M and your Accounting Officer has signed the declaration, please submit it. Applications submitted without this signature will not be assessed by the EFA and the indicative time shown for a decision will be delayed if you have not provided the information requested.

#### Step 5 Clarify any points in the application

Provide any further information we might request to clarify your application, so we can assess it as speedily as possible.



## Form M: Notification of Self-Funded Building Project

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| Form M Notification of Self-Funded Building Project  |
| 1 | Academy Name and address |  |
| Academy Address |  |
| 2 | Academy Trust Name |  |
| 3 | Unique Reference Number & UPIN |  |
| 4 | Contact details for further information: |  |
| Name |  |
| Position |  |
| Email address |  |
| Phone numbers |  |
| **Outline of your project** |
| 5 | 1. What is the purpose of the project?
2. Who will manage the project? (lead consultant and/or member of staff).
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| 6 | 1. (How big is the new building? (m2 – Gross internal)
	1. Will this be placed on playing fields?
2. Are you demolishing/removing any existing ones?
3. If “yes”,
4. when were these built?
5. How much building space will you be removing? (m2 Gross Internal)
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| 7 | 1. Building Cost (estimated)
2. Cost of demolition (if any)
3. Cost of professional fees (estimated)
4. Cost of any fixtures and fittings (including furniture, equipment and IT)
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| 8 | Attach plan to standard required to enable registration at the Land Registry of the land an where the building is locatedPlease show any access routes of associated pipework/cable ways. |  |
| 9 | When will you obtain planning consent (or date of when consent was granted)When do you hope to start on site?When do you anticipate the project will be ready to occupy? |  |
| **Costs, Benefits and Risks** |
| 9 | 1. How will you pay for the project? (building costs and fees)
2. Please provide a cash flow showing that you will be able to meet all contractors’ invoices and fees.
3. Please provide a three year financial forecast with the project included.
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| 10 | If the building is following the Secretary of State’s consent to a significant increase in pupil numbers, 1. Provide the date of consent
2. Provide existing pupil numbers and proposed numbers (including the date by when these will be achieved.)
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| **Title and consents** |
| 11 | Name of legal advisers on this project.Confirm your legal advisers have confirmed you have good title to enter into the proposed land transaction and that you have received any consents you need in addition to that of the Secretary of State for Education. |  |
| **Accounting Officer Declaration***The signature of the Accounting Officer below signifies confirmation that the* Trust :1. Complies with its duties and responsibilities under the Academies Act your Funding Agreement and the Academies Financial Handbook,
2. Has taken appropriate legal, financial and property advice,
3. Is satisfied the transaction represents value for money,
4. Confirms that the transaction does not involve any loan,
5. Confirms that the transaction is affordable without recourse to EFA or DfE capital or revenue budgets.
6. Is satisfied about all safeguarding issues, and
7. The information provided is a truthful statement and has brought attention to anything that might be pertinent to the Secretary of State’s decision, even if not asked directly.

SignedAccounting OfficerNameDate |

Please email the completed form with all attachments to: ***academy.questions@education.gsi.gov.uk***

We will send you an acknowledgement within three working days of receipt of this form providing a unique reference number. We will then determine if you have provided all of the information that we need to make a decision. We may well need to ask you for clarification or further information. It is your responsibility to make sure that your professional advisors, including solicitors, supply the information we have requested. We will only be able to consider your case after you have provided all necessary information.

After the information is complete, we aim to provide you with a decision within 10 working days.