

## Further information for Trust schools on land, buildings and assets, and capital funding, PFI and BSF

This guide aims to answer a range of questions from schools, their Trust partners and local authorities in relation to the management of land, buildings and assets and capital funding issues.

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Further guidance on school land and property issues - including land transfer – is available on the School Assets Team's Website [www.teachernet.gov.uk/schoolslandandproperty](http://www.teachernet.gov.uk/schoolslandandproperty) The document "Assets Guidance - The Transfer and Disposal of School Land in England" is particularly useful <http://www.teachernet.gov.uk/docbank/index.cfm?id=10943>

## **TRANSFER OF LAND**

### **Who holds the land and buildings in a Trust school?**

When a community school or foundation school without a foundation acquires a Trust (i.e. becomes a Trust school – defined as a foundation school with a foundation), the school's land and buildings will transfer to that Trust to be held on trust for the duration of its relationship with the school. The Trust does not have to pay for the land (including buildings). This means that Trust schools will be in the same situation as existing foundation schools with foundations whose foundations (or Trusts) already hold the land, and also similar to existing voluntary schools. Special arrangements can be put in place where facilities are shared with another school or provider.

### **What about voluntary aided, voluntary controlled and Foundation schools with foundations?**

Voluntary schools and foundation schools with foundations already have a foundation which appoints governors and holds land on trust – they would not lose or change their foundation by becoming a Trust school, although the foundation might need to be reconstituted in order to meet the requirements for Trusts. The governing body of any voluntary school would need to seek the agreement of the school's existing trustees before changing category. More detail is available in the Trust schools' toolkit.

### **What does 'hold on trust' mean?**

A Trust has the legal title to the land but it holds it on trust for the purposes or benefit of the school and subject to the provisions of the Trust's governing documents. If its role ends then publicly funded land will normally revert to the governing body or the local authority.

### **At what stage do we need to inform the local authority?**

If you are a community school, the governing body should give the local authority written formal notice of a meeting at which a resolution to consult on changing category will be considered. The local authority cannot then dispose of any land used by or for the school until the proposals have been decided or withdrawn. We would encourage all schools to let their local authority know that they are considering this change as soon as possible.

### **Does all the land automatically transfer to the Trust?**

When a school's proposals to change category from a community school have been approved, all land held and used by the local authority before the implementation date for the purposes of the school and agreed to be transferred will, on the implementation date, transfer to and vest in the school's foundation (the Trust) to be held for the purposes of the Trust school. Normally this will include the school's buildings, hard and soft play areas, all-weather sports areas, games courts, playing fields, habitat areas, roads, paths and car parks. There is a presumption that all land held for the

purposes of the school immediately before it publishes proposals to change category will transfer.

In the period between a school's proposals to change category being approved and being implemented there is, however, an opportunity for both the transferor and transferee jointly to agree at a local level that some of the school's land will not transfer to the Trust. This situation could arise where a school shares its site with, for example, an early years centre, onsite City Learning Centre, health centre or sports facilities that are intended for broader use than the school's pupils. In such cases, the school and the local authority may agree that the local authority should retain the freehold of the facility, provided the school's user rights to the facility are fully protected. They would therefore agree to exclude this land from transfer but it may be necessary to guarantee rights of access over one or both parts of the land.

Where it is not possible to reach agreement to a partial transfer of land locally, the Adjudicator will resolve the matter, giving due consideration to the wider community and strategic needs of the authority<sup>1</sup>.

It is intended that agreement at the outset on what land will transfer to the Trust should avoid subsequent disputes about disposals. Where, for instance, surplus land is excluded from transfer to the new school, the school could continue to use it under licence to occupy until the authority uses it.

### **What about land shared, for example, with another school?**

Where land is held by the local authority partly for the purposes of the school and partly for other purposes (for example a playing field shared with another school), ownership should be determined by reference to specific statutory tests. Briefly, the first statutory test is to see if it is possible to divide the land to provide two viable units. If not, the second test is to try and determine which of the parties is in the greatest need of the security afforded by ownership and if neither, the third test is to establish which of the parties is likely to make greater use of the land. The rights of the party not granted ownership to use these facilities over time would be protected, with any disputes being resolved by the Adjudicator.

Where there is no reason for excluding any particular property from a transfer (for example, because it is an integral part of the school), the transfer agreement must take into account any existing user rights. In other words, the rights of any group or organisation using property that is to be transferred from the authority to the governing body or Trust must be protected and included in the formal transfer agreement. The school could only change the arrangement by agreement with the user. Where such agreement cannot be reached then the Adjudicator will determine the issue.

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<sup>1</sup> The School Organisation (Prescribed Alteration to Maintained Schools) England Regulations 2007 outline the procedures for this.

**If user rights are granted who has responsibility for maintaining the building in a condition fit for use? If, for example, a school is allocated a leisure building but fails to maintain it properly, such that the agency with user rights cannot conduct its business and suffers a loss of income, does the user have a claim against the host Trust?**

If a leisure building was transferred to the school it would have to honour any existing contracts/ agreements etc. If these make reference to maintenance requirements then the school would be bound to honour them. Generally, the governing body will manage the facility in a way that produces an income which would cover any maintenance costs.

### **Who has control of the premises**

The governing bodies of all categories of school have day-to-day control over the use of their premises and have responsibility for the day-to-day management of the property, both during and outside school hours.

A school may have an agreement with a third party (a Transfer of Control Agreement) for them to use the school premises at certain time (e.g. for extended school provisions). This agreement will set out who is responsible for what in terms of insurance, heating lighting etc. If a foundation school had a Transfer of Control Agreement and acquired a Trust then we would expect the Agreement to transfer to the new trustees as an ongoing 'right'.

### **IN PRACTICE**

#### **What does the Trust holding the land mean in practice?**

The governing bodies of all categories of school have day-to-day control over the use of their premises and have responsibility for the day-to-day management of the property, both during and outside school hours. If the governors wanted to do anything which would count as a disposal of land (selling land; leasing it to someone else; substantially changing the use to which the land is being put - i.e. not using it for the education of pupils at the school) they would need to agree this with the Trust and ask the Trust to notify the local authority or in the case of playing field land apply for the Secretary of State's consent to the disposal

Local authorities may issue directions to the governing bodies of community schools (and to a lesser extent to the governing bodies of voluntary schools) as to the use of their premises. They may not, however, issue such directions to the governing bodies of foundation schools or Trust schools.

A Trust holding land for a number of schools would be able to manage the overall educational estate more efficiently. At a simple level, this might mean exploiting economies of scale to procure facilities management services at favourable rates on behalf of all of the schools. Trust schools, through their Trust, will be able to benefit from active management of their assets, including disposals of surplus non playing field land, subject to consultation with the

governing body of the school concerned, and subject to obtaining any necessary consent.

**Who is responsible, if, for example, a Trust school's roof falls in or the boiler breaks down?**

As a general rule governing bodies are only responsible for those things for which they have received funding delegated from the local authority – but the Trust must ensure that the governing body has taken out proper insurance. Where there is an emergency local authority support would be available as for any other maintained school. Part of the funding the local authority receives is to enable them to respond to unforeseen circumstances such as these – Trust schools are eligible for support and funding in the same way as any other maintained schools.

Proper insurance would need to be taken out and the local authority will delegate funding for this purpose to Trust schools equal to the amount it would spend if it insured the school. Guidance on insurance is available at [www.teachernet.gov.uk/management/atoz/i/insurance/](http://www.teachernet.gov.uk/management/atoz/i/insurance/)

## **ASSETS**

### **Do schools' assets transfer to the Trust?**

No. In strict legal terms the local authority owns any assets (eg books, equipment etc) purchased with delegated grant or capital funds. When spending the delegated budget, schools do so as agents of the local authority; the local authority therefore owns the assets. However, in practical terms it will be the governing body of the school (whether it is a Trust school or a community school) that actually has control and use of the assets.

### **If a foundation school becomes a Trust school the land and buildings vest in the trustees who will hold them on charitable trust for the school. Who will be the legal owner of the other assets of the school?**

Usually the school's fixtures and fittings will transfer to the Trust along with the land and the buildings. As a general rule anything fixed to the freehold becomes part of the freehold and so transfers to the Trust. But anything which could be easily removed, such as furniture and books, would normally continue to be owned by the local authority and would not transfer to the Trust.

## **DISPOSAL OF LAND AND ASSETS**

### **Can a Trust school dispose of surplus non-playing field land?**

Yes – if the Trust wants to dispose of land they should consult the governing body of the school. If the governing body thinks that land should be disposed of they should refer this to the Trust – in practice as the governing body includes Trust appointed governors the Trust's agreement should be a fairly automatic process. The Trust must then inform the local authority of their plans to dispose of any non-playing field land. Local authorities can object to proposals if they feel that they are not in the interest of the school in the long term, or would disadvantage the wider community. Local authorities will also be able to object to reinvestment proposals and to claim a share of the proceeds attributable to public investment in the land. Where local agreement cannot be reached, the matter will be referred to the Adjudicator for resolution. Local authorities will not be able to force a Trust to sell any surplus land to raise money.

Trust schools will be able to benefit directly from the disposal of land but all proceeds must be used for capital investment in educational assets in either the school itself or the maintained sector (according to the Trust's Memorandum and Articles), and the Trust itself will not be able to profit from any such disposals.

There is no change to the rigorous procedure for any disposal of school playing fields, which will continue to require the consent of the Secretary of State.

### **If a Trust holds land on trust for a particular school, can it still use the proceeds of disposal to say build a new science block at another school?**

This will depend on the Trust's Memorandum and Articles. If these say that the Trust is holding the land on trust for a particular school then this would be quite difficult, although not impossible. The Trust would need to argue that the school no longer needed the land and it was surplus to requirements.

If the Trust's Memorandum and Articles were instead focused on wider educational objectives, (e.g. to support education in an area) then the Trust would be able to use the proceeds of disposal to support education at another school. However, the trustees would need to consult the governors at the original school. The local authority would also be able to object if they felt the disposal would damage standards at the school. If either the governing body or the local authority disagreed the decision would be referred to the Adjudicator.

### **Can a local authority still make strategic proposals for use of surplus land?**

Local authorities will be able to publish statutory proposals at any time to

close a Trust school, for instance, to enable it to re-organise or to cope with falling rolls or other priorities. Local authorities will also be able to propose the placing of a new or re-sited school on surplus foundation or Trust land, and also for other educational purposes and the provision of children's services where it cannot otherwise reasonably meet a local need and which are suitable to be next to a school. Where local agreement cannot be reached, the Schools Adjudicator will determine. Guidance is available for Schools Adjudicators, schools and local authorities on the new responsibilities of the Schools Adjudicator in determining disputes: [www.schoolsadjudicator.gov.uk](http://www.schoolsadjudicator.gov.uk). The Office of the Schools Adjudicator can be contacted on: 0870 0012468 or by email: OSA.TEAM@dcsf.gsi.gov.uk.

**What is the legal position with regard to the disposal of capital assets other than land? Would the governors of a Trust school need to seek the Secretary of State's consent to dispose of assets such as a mini bus?**

Furniture and equipment continue to be owned by the local authority and their disposal is a matter for the school to decide in accordance with its local authority financial scheme under section 48 of the School Standards and Framework Act 1998. This is the same regardless of the category of the school. Neither the Secretary of State nor the Adjudicator has a role in decision about disposal of capital assets.

## **LEASEHOLD**

### **Can Trusts claim a share of income from letting Trust school premises?**

Not usually. They would only be able to do this if the governing body voluntarily agreed to hand over control and income through a transfer agreement.

### **If the governing body wished to lease some surplus accommodation, held by the trustees, on a long term basis would this constitute a disposal?**

Yes. If the land was held by the Trust the governing body would have to ask the trustees to notify the local authority of the proposed purposes for which the land is to be used. If the authority objected to this use, the trustees would then have to seek the Adjudicator's consent for the disposal.

The trustees would execute the lease on behalf of the school as they would hold the legal title, rather than the governing body.

### **Would the governing body have any claim on the income from a lease?**

This would depend of the Trust's Memorandum and Articles. Where the charitable objects set out in these were specific to the individual school the governing body would automatically receive the income. Where the objects had a broader educational focus the Trust would decide how best to use the income.

## **REMOVAL OF THE TRUST**

### **What happens to the land and assets if the school closes or the relationship with the Trust ends?**

#### (i) Where a school is discontinued

Trust schools are legally foundation schools with a foundation. When a foundation or voluntary school is discontinued and closes there is a requirement in Schedule 22 of the 1998 School Standards and Framework Act for the governing body or trustees of the school to apply to the Adjudicator to determine what happens to any land which has been provided or enhanced at public expense. If the school land was previously provided by the local authority then the Adjudicator may order that the land is returned to them or to the governing body of a new school. If the Trust wanted to retain the land for other purposes, then the Adjudicator could agree to this subject to the Trust paying such compensation to the local authority as he determines.

If the school land was originally provided by the Trust at its own expense then it can do what it likes with the land. However, if the trustees' land has been enhanced in value at public expense then the local authority is able to claim a share of any sale proceeds relevant to the level of public investment.

#### (ii) Decision by the governing body to remove its Trust

Where the governing body of a Trust school decides to remove its Trust in accordance with the provisions of sections 25-27 of the Education and Inspections Act 2006 and the accompanying regulations, publicly provided land and assets would normally revert to the governing body. The school would effectively become a foundation school without a foundation. The proposals published by the governing body have to specify who the land and assets will transfer to. There are provisions in the Act, and accompanying regulations, surrounding compensation if the Trust had incurred capital expenditure to improve land or assets which subsequently reverted to the governing body.

#### (iii) Trust becomes insolvent

If the Trust becomes insolvent the Secretary of State will be able to make an order directing that any publicly provided land held by the Trust for the purpose of the Trust school can be transferred to the governing body<sup>2</sup>.

#### (iv) If a Trust ends the relationship for any reason

If a Trust ends the relationship for any reason then publicly provided land will revert to the governing body and the school will continue as a foundation

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<sup>2</sup> The School Organisation (Removal of Foundation, Reduction in Number of Foundation Governors and Ability of Foundation to Pay Debts) (England) Regulations 2007 (SI 2007/3475) prescribe the conditions to be met in relation to the ability of Trusts to pay their debts and their continued existence as a corporate body.

school without a foundation. If the Trust originally provided the school's land, it must give 2 years notice<sup>3</sup>, so that another site can be found if necessary.

The regulations in respect of the Trust removal process - The School Organisation (Removal of Foundation, Reduction in Number of Foundation Governors and Ability of Foundation to Pay Debts) (England) Regulations 2007 (SI 2007/3475) - came into force on 21 January 2008

[www.opsi.gov.uk/si/si2007/uksi\\_20073475\\_en\\_1](http://www.opsi.gov.uk/si/si2007/uksi_20073475_en_1)

Statutory guidance for these Regulations will be published shortly.

### **What happens if a Trust makes a capital investment and is then removed, or walks away from the school?**

Whilst there is no expectation that Trusts will invest in school premises, some Trusts may wish to do so. The 2006 Act accordingly provides for Trusts to seek compensation for this capital if the Trust was subsequently removed. In such instances the Adjudicator will be empowered to determine a just amount of compensation. When a school is discontinued the Adjudicator will decide what compensation should be paid to trustees where they have enhanced land provided by the local authority.

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<sup>3</sup> If the Trust originally provided the land but becomes insolvent, the land is protected for 2 years for the same reason.

## **BORROWING**

### **Can a Trust school borrow against its assets?**

No school can borrow money without the express permission of the Secretary of State.

### **Will local authorities' ability to borrow against their assets be reduced due to the transfer of assets to Trust schools?**

No. Local authorities do not borrow against their assets in the same way that people borrow against their houses. There is a system called prudential borrowing, governed by a CIPFA code, which means that they borrow against their ability to repay the costs of borrowing from their overall revenue. So, creating more foundation schools does not reduce an LA's ability to borrow.

### **Can Trusts borrow to invest in their schools?**

Yes. The Trust could borrow commercially to fund investment in, for example, a sports facility on the premises, but they cannot use the assets of the school as collateral, nor can they commit the school or its authority towards repayment of the loan. The borrowing costs could be met from the income stream generated from rentals (including rentals to the governing body of the school itself). In these circumstances, the borrowing would be entirely at the Trust's risk – and at no risk to the governing body of the school. While the governing body might voluntarily agree to rent the facility for a fixed amount of time, it could not be required to do so or otherwise guarantee to underwrite the Trust's borrowing costs.

There may also be restrictions through charity law. In practice, a Trust will only be able to borrow if it has additional assets of its own, and lenders are satisfied with its ability to repay. If a Trust defaults or gets into other financial difficulties, the assets or income of the school are not available to it.

## **CAPITAL FUNDING**

### **How will Trust schools be treated in terms of capital spending?**

Trust schools remain a full part of the local asset management planning process, and are treated equally in terms of government support for capital investment. As with all other maintained schools, the local authority will remain responsible for funding the maintenance of a Trust school's buildings and Trust schools will continue to receive devolved capital funding on the same basis as other maintained schools that they can invest according to their individual priorities. There is no funding reserved centrally for Trust schools. With the agreement of its schools, a Trust could use the pooled devolved formula capital of all its schools for investment where there is greatest need. Over the longer period, we would expect all schools to be treated fairly.

Similarly, local authorities will continue to receive formulaic funding based on the needs of *all* their schools, including foundation, voluntary controlled and Trust schools. Local authorities will also be expected to continue to prioritise their capital funding fairly through rigorous, transparent and consultative asset management planning, based on a survey of the needs of all their schools. Trusts should be able to discuss the needs of their schools with their local authority.

### **What capital investment is required to start a Trust?**

None. The aim of a Trust is not to provide funding for its school(s) and therefore no capital investment is required to start a Trust. However, if a Trust chooses to invest in its school(s), they are entirely within their rights to do so. In those cases, the additional funding can be pooled with the schools' own funding and funding received from their local authority in order to support, and perhaps, accelerate larger investment projects. Agreement on how this pooling would work and the contributions of each party would be a matter for local discussion and resolution.

### **Does Trust status mean schools may be treated less favourably by the local authority?**

No. As commissioners of education, local authorities should prioritise investment where there will be greatest benefit for pupils and staff, educational outcomes, and the wider community. The process is managed through a local authority's asset management plan, which is a rigorous, consultative and transparent process based on surveys of the needs of all its schools, including those with Trusts.

Currently about a third of schools are not directly owned by local authorities. Trust schools will have the same flexibility as foundation schools to manage their own assets, while remaining part of the local authority planning process for capital spending. This has already worked successfully with foundation schools.

## **Is additional capital funding available for Trusts schools?**

In certain specific circumstances, yes. In October 2007 the Secretary of State announced the capital funding settlement for schools for 2008-11. This funding is available in order to raise standards by supporting the choice, diversity and access agenda. It includes a Standards and Diversity Capital Fund (SDCF) of £327m (indicatively £63m in 2008-09, £114 in 2009-10 and £150m in 2010-11) which is an element of the Targeted Capital Funding for the 2007 Comprehensive Spending Review period (April 2008-March 2011). Specific funding priorities for the new 'pot' are:

- expansion of successful and popular maintained schools;
- support new entrants to the maintained sector (both proposers of new Trust schools and voluntary aided and independent schools seeking to enter the sector);
- Fresh Start schools;
- surplus place removal;
- federations of schools and groups of schools working together under a single Trust to facilitate joint working;
- maintained boarding schools;
- non-maintained special schools;
- the music and dance scheme.

Guidance for the Standards and Diversity Capital Fund is available on Teachernet:

[www.teachernet.gov.uk/management/resourcesfinanceandbuilding/capitalinvestment/guidanceindex/sdf/](http://www.teachernet.gov.uk/management/resourcesfinanceandbuilding/capitalinvestment/guidanceindex/sdf/)

## **Can the Trust bid for Targeted Capital?**

No. We expect most proposals for funding under the Standards and Diversity Capital Fund should come to the Department via, and with the support of, the relevant local authority.

## **MANAGEMENT OF CAPITAL PROJECTS**

### **Can Trust schools employ their own designers, consultants and contractors?**

Yes, where the school is investing its devolved formula capital or money which it has raised or its Trust provided. However, schools should always consider using the building services of their local authority, where there will be detailed knowledge and experience of technical, procurement, contractual and health and safety matters, and where value for money may be obtained through established partnering arrangements with contractors.

Where a local authority is contributing funding to a project at a foundation school, it may choose to attach conditions to the funding. Where Trust schools benefit from Building Schools for the Future funding, investment will be procured through the Local Educational Partnership or a similar arrangement.

### **Is there any expectation that the governing body of a Trust school should consult the trustees about expenditure on land and buildings held by trustees? Or is it entirely up to the governing body to make decisions about capital investment, given that they will hold the capital budget will control the occupation and use of the premises?**

We would always expect these matters to be resolved at governing body meetings, where both the school and the trustees are represented. Unless there is in place an agreement to occupy which specifically refers to the matter and gives the governing body license, the governing body should not invest in the land and buildings without the agreement of the trustees. If tested in the courts, it is likely that the rights of the owners of the land and buildings would take precedence over those of the occupier.

## **PFI**

### **What is the situation with regards to Trust schools and PFI?**

An existing PFI school can acquire Trust status; likewise an existing Trust school can be included in a new PFI contract. The Department has recently published guidance "The Transfer of Disposal of School Land in England" which provides more information about the transfer process:

[www.teachernet.gov.uk/management/resourcesfinanceandbuilding/schoolslandandproperty/](http://www.teachernet.gov.uk/management/resourcesfinanceandbuilding/schoolslandandproperty/)

The information below, extracted from the guidance, is of particular interest:

"Private Finance Initiative (PFI) contracts and Trusts/Foundations Status

1. The governing body of a school which changes status to become a foundation school, with or without a Trust, does not become a new legal entity. It is the same body corporate as the governing body of the existing school. It therefore continues to have all the contractual benefits and obligations that it has signed to.
2. These will include, where the school is part of a PFI contract, the individual agreements that the governing body must have signed with its authority, which will include its obligation to contribute to the unitary charge for the PFI contract and the services that it will receive under the contract.
3. Acquiring foundation status or a Trust is not an opportunity for a school to withdraw from any contract unless a variation to the school's status is specifically written into the terms of the contract as an eligible reason for withdrawal.
4. Where a school is included in a new PFI contract, Trust schools will need to grant a leasehold agreement to the private sector contractor for the length of the contract. Schools already in a PFI contract which change status will have the school's freehold transferred to the governing body or to the Trust, but this will have attached to it the leasehold agreement which the authority will have granted to the private sector contractor. Such schools may not fully benefit from direct ownership of their assets or employment of service delivery staff until the end of the PFI contract. "

### **Does a PFI contract and the responsibility for it pass to the school or Trust on change of status?**

No. It remains with the signatories, which will be the local authority, even in the case of a single school contract. The local authority will remain legally liable for paying the unitary charge. This is true of any other contract which the authority may have signed which includes the school.

**Does change of status automatically allow foundation or Trust schools to employ directly the staff who support the school by providing catering and other facilities management services?**

No. Where these services are provided under contract, schools would have to wait until the end of the contract to do this.

**Are there any exceptions to the inheritance of contracts?**

Only where it is specifically written into the terms of the contract that it will terminate or vary on change of school status; or by virtue of force majeure, where some uncontrollable event means that the contract is unenforceable.

**Are there any circumstances where a school changing status could withdraw from a contract, or employ its own staff for catering, for instance?**

Variations to contract, including early termination, are a matter of negotiation between the signatories to the contract, where the contract allows it. These will depend on the terms of the contract and the willingness of the parties to negotiate. Negotiation may include a financial cost to the party seeking the variation.

Some contracts may have provisions for early termination or for variation. Some group PFI contracts have some flexibility on the number of schools covered by the contract. As it will be the local authority which is the signatory to the PFI contract, the school would have to get the agreement of the authority to negotiate.

## **BSF**

### **What is the situation with regards to Trust schools and BSF?**

As part of the local family of schools, Trust schools are part of the BSF project for their area - which focuses on the needs of schools and their pupils rather than on type of school - and must be fully included in an authority's BSF educational vision and investment project.

### **Can the Trust bid for BSF funding?**

A Trust cannot bid for BSF funding individually, as BSF projects are co-ordinated at local authority level and prioritisation is on an authority basis.

### **Does Trust status give schools greater control over the delivery of BSF in the school? For example, would they have a say in which architects were chosen etc.?**

Trust schools will not have direct control over investment, the architect or details of their design, in line with other schools. The local authority is the procurer of the Local Educational Partnership or of whatever other route is used to procure BSF investment and ensure value for money and efficiency, and therefore, it has the ultimate decision making power. We would, however, expect all schools, irrespective of status, to have been consulted fully on their needs and their vision in discussions with their authority, and for the authority to reflect where possible these individual needs and aims when agreeing details of its project, including design details.

### **Can an existing or potential BSF contractor be a Member of a school's Trust?**

We understand that BSF contractors are not prevented from being Trust Members and we would not wish to exclude them. However, there are some things that authorities would need to take into account during the bidding process and life of the contract to ensure parity and transparency and to avoid conflict of interest. Authorities are advised to contact the BSF Team at the DCSF for further advice on this issue (020 7925 5551).

## **School Commissioning and Supply Division**

**March 2008**

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