

Delegated Decision

22 March 2021

School Loan Scheme: Lanchester EP School



Paul Darby, Corporate Director of Resources (Interim)

Electoral division(s) affected:

Lanchester

Purpose of the Report

- 1 To report on a decision to approve a loan under the School Loans Scheme.

Executive Summary

- 2 Lanchester Endowed Parochial School has applied for a loan of £29,000 to contribute to the cost of replacing whiteboards. The application complies with the criteria included in the scheme, including support from Education and the financial position of the school.

Recommendation(s)

- 3 To approve the loan, which complies with the requirements of the School Loan Scheme.

Background

- 4 Lanchester Endowed Parochial School has applied for a loan of £29,000 to contribute to the cost of replacing whiteboards. The application complies with the criteria included in the scheme, including support from Education and the financial position of the school.
- 5 The school was advised to replace the whiteboards by the council's ICT service. The cost is £39,000 and the balance of the cost will be met from the school's delegated budget. The project has the support of the school's Leadership Advisor from the council's education service.
- 6 The loan is for four years, with annual repayments of £7,500. The school will meet the cost of repayments from its delegated budget, which for the coming financial year is £1.6 million. Funding projections are that the school will be able to meet the cost of repayments and continue to have a surplus in excess of 2.5% of the combined total of budget share and Pupil Premium funding.
- 7 The Governing Body has agreed that, should the school amalgamate or become an academy, the loan will transfer. The transfer of existing commitments, including loans, is an expectation of the DfE, which manages and oversees the conversion of schools to academies.
- 8 The chair of the Governing Body and the Headteacher will both sign a loan agreement, which sets out the conditions of the loan, including the annual repayments, and that the loan will transfer in the event of amalgamation or conversion to an academy.

Background papers

- The summary loan assessment is attached in Appendix 2.

Other useful documents

- None

Author(s)

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Appendix 1: Implications

Legal Implications

The Governing Body has agreed that, should the school amalgamate or become an academy, the loan will transfer.

The chair of the Governing Body and the Headteacher will both sign a loan agreement, which sets out the conditions of the loan, including the transfer of the loan in the event of amalgamation or conversion to an academy.

Finance

The loan is for four years, with annual repayments of £7,500. The school will meet the cost of repayments from its delegated budget, which for the coming financial year is £1.6 million. Funding projections are that the school will be able to meet the cost of repayments.

Consultation

The council's leadership Advisor responsible for advising this school.

Equality and Diversity / Public Sector Equality Duty

None

Climate Change

None

Human Rights

None

Crime and Disorder

None

Staffing

None

Accommodation

None

Risk

The school is not at risk of closure and in the event of conversion to an academy the loan would transfer to whichever academy trust the school joined.

Procurement

The procurement of whiteboards is being done with the advice of the council's ICT service.