

Delegated Decision

26 April 2021

**School Loan Scheme: Wheatley Hill
Primary School**



Paul Darby, Corporate Director of Resources (Interim)

Electoral division(s) affected:

Trimdon and Thornley

Purpose of the Report

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

Executive Summary

- 2 Wheatley Hill Primary School has applied for a loan of £70,000 through the school Loan Scheme to contribute to the cost of a single storey extension to provide dining room / gym storage. 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 Wheatley Hill Primary School has applied for a loan of £70,000 through the school Loan Scheme to contribute to the cost of a single storey extension to provide additional dining room / gym storage. The application complies with the criteria included in the scheme, including support from Education and the financial position of the school.
- 5 The total cost of the planned capital investment is £243,000 and the school is making a significant contribution to the works from its existing retained balances, which together with the requested loan and a £10,000 contribution from the DCC School Meals Team will enable the project to proceed. The project has the support of the school's Leadership Advisor from the council's education service.
- 6 The loan is for seven years, with annual repayments of £10,620. The school will meet the cost of repayments from its delegated budget, which for the coming financial year is £1.43 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 to the conditions of the loan agreement that will need to be put in place which states that, should the school amalgamate or become an academy, the liability for repayment of 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

- None

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.

The proposed extension has been granted planning permission.

Finance

The loan is for seven years, with annual repayments of £10,620. The school will meet the cost of repayments from its delegated budget, which for the coming financial year is £1.43 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

No implications identified.

Human Rights

None

Crime and Disorder

None

Staffing

None

Accommodation

The council has given landlord's approval to the project and planning permission has been granted.

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 school has sought competitive tenders through a process run by its architect.