

## 3.15 Asset Management

### Introduction

Governing Bodies have responsibility for “their” premises and a range of other assets used to enable delivery of education. It is essential these assets are maintained to a good standard to provide the best possible environment for pupils and that the resources, capital and revenue, delegated to the school are used on a “value for money” basis to achieve this.

### Scheme Requirements

The Scheme’s requirements are set out in section 12: Responsibility for repairs & maintenance and capital work. These are:

- 12.1 All funding for repairs and maintenance to schools is delegated. Schools are also provided with devolved capital funds and it is expected that these funds are used to implement capital works which have been identified as priority works in the school’s Asset Management Plan. Only capital expenditure relating to major schemes at community and foundation schools and the LA liability at VA schools is retained by the LA. Capital expenditure for the purposes of this scheme is as defined in the CIPFA Code of Practice on local authority accounting.

Annex D – Capital/Revenue Split, sets out the nature of works to be classified as Capital (column 1), Revenue: repairs and maintenance (column 2), in line with the DfE’ interpretation of the CIPFA code of practice. The only departure from the description in this annex will be in relation to any works costing below £5,000, which will be deemed to be repairs and maintenance and will be required to be met from the schools delegated budget.

The same definition and the £5,000 limit have been used in determining the level of provision to be delegated to schools.

For voluntary aided schools, the liability of the Authority for repairs and maintenance (albeit met by delegation of funds through the budget share) is the same as for other maintained schools, and no separate list of responsibilities is necessary for such schools. However, eligibility for capital grant from the Secretary of State for capital works at voluntary aided schools depends on the de minimis limit applied by the DfE to categorise such works, not the de minimis limit used by the authority.

With regard to the purchase of Information Technology equipment (hardware and where part of a package software, cabling, installation etc but not training or support) the de minimis level to be eligible capital expenditure is £2,000.

### Action by School

The Schools Financial Value Standard asks at Question 15 – “Does the school maintain its premises and other assets to an adequate standard to avoid future urgent need for replacement?”

The school will need to ensure the following:

- Preparation of a comprehensive Asset Management Plan – this will include maintenance and where appropriate development for example, a 5 year capital plan
- Preparation of a maintenance schedule for buildings and associated plant and fixed equipment including caretakers house and if applicable vehicles for example an annual plan (see box below)
- Preparation and maintenance of the school's inventory of furniture and equipment. Updated with new purchases but subject to an annual physical check
- Monitoring, assessment and reviewing of contracts for (or in-house provision of) associated services for example building maintenance, equipment cleaning and maintenance, grounds maintenance etc.
- Review the school's use of its premises with a view to obtaining best use of its facilities by pupils and staff and community use including potential income.
- Review and update the school's insurance cover and seek professional advice as necessary to ensure appropriate insurances for the school. Implement and manage such approved insurance schemes.

The above actions will have implications for schools

- Health & Safety policies and
- business continuity and contingency planning

### Guidance from DfE SFVS Question 15 Support Notes

#### **Asset Management Plan and maintenance programme**

All schools should have an asset management plan, which includes a strategy for developing, adapting and eventually replacing buildings, which is part of the school's overall planning for delivery of education. The assessment of maintenance priorities should be in the context of this broader planning so that, for instance, a decision to invest in a major maintenance project would take into account the residual life of the building. This asset management plan should include a costed maintenance programme which will contain:

- service contracts in place for building service installations and plant (the mechanical and electrical equipment);
- a programme of planned maintenance projects; and
- a system of managing day to day repairs.

Maintenance work is often categorised as follows:

- **Reactive** – this is neither planned nor cyclical, for example failure of a component, vandalism or accidental damage for example broken window repair, unblocking drains.
- **Planned Preventative** – these are planned, routine works where annual costs can realistically be estimated for example changing filters on a boiler, painting walls.
- **Lifecycle** – these can be planned and programmed at a future point in time to replace elements/components of a facility, for example boiler or roof.

Governing bodies should ensure that maintenance work is undertaken to prevent the deterioration of the building and the emergence of health and safety hazards, including managing asbestos. The maintenance programme should look forward, for

example for five years and should be updated regularly, at least annually. Planned preventative maintenance should help avoid failures of equipment or technical systems that then require reactive maintenance. Schools should aim to minimise the amount of work that is reactive.

Schools should ensure that they get the best value for money for expenditure on maintenance by exploring jointly procuring services with other schools, and looking into 'buy back' schemes run by local authorities and others that might offer better value than managing maintenance at an individual school level.

Maintained community schools should inform their local authority if they intend to undertake alterations to the buildings so that they can receive appropriate support and guidance. In addition, other schools, for example VA schools, may also be required to notify the local authority of expected capital expenditure. Periodically, updated condition surveys/assessments are necessary for effective maintenance programmes and the local authority may have an existing survey report for the school.

### **Statutory Inspections**

Schools are expected to undertake statutory building inspections, including:

- Five yearly electrical inspections and testing
- Annual electrical inspection and testing of kitchens
- Statutory inspection and testing of fire alarm systems
- Routine inspection and testing of emergency lighting
- Regular inspection of lifts
- Annual inspection and service of fixed gas heating appliances and fan convectors
- Inspection and servicing of gas/oil boilers