

Trust Capacity Fund 2020-2021

The Department for Education has announced (9 March) the new round of the Trust Capacity Fund (TCaF) and has issued guidance re. applying for this. The guidance is for academy trusts, and for good or outstanding Local Authority maintained rural schools forming a new multi-academy trust, who wish to apply for the 2020-21 TCaF. The TCaF will award up to £17 million of funding over the 2020-21 financial year across five strands, each with their own DfE eligibility criteria:

A1: Support strong trusts to grow and innovate in areas of long-standing need.

A2: Encourage strong trusts to grow by taking on and improving weaker maintained schools and academies.

B: Accelerate the development of mid-sized trusts with the potential to be strong.

C: Support the merger of smaller trusts to form new strong trusts, as well as priority projects from Regional School Commissioners (RSCs) which do not fall under the other strands.

D: Support good or outstanding LA maintained rural schools to collaborate and create new, strong MATs.

The minimum and maximum grant thresholds for each strand are set out in the table below:

| Strand | Minimum grant threshold | Maximum grant threshold |
|--------|-------------------------|-------------------------|
| A1 | £50,000 | £310,000 |
| A2 | £50,000 | £200,000 |
| B | £50,000 | £150,000 |
| C | £50,000 | £100,000 |
| D | £50,000 | £100,000 |

The guidance states that the following activities are considered as valid 'growth' for the purposes of determining eligibility to apply for TCaF funding:

- applications from schools to convert to academy status;
- sponsor matches for schools with directive Academy Orders;
- trust mergers, including a SAT joining a larger MAT and SATs joining to create new trusts;
- academy transfers from one trust to another; and
- approved free school bid proposals.

The following activities are not considered as valid 'growth' for the purposes of determining eligibility to apply for TCaF funding:

- significant change applications, such as increasing the age-range or published
- admissions number for a school within a trust;
- physically expanding an existing school within a trust;
- severance payments made as part of a re-structure;
- additional SEND units that are attached to an existing mainstream school; and
- a school joining the trust as an associate member only.

Application process:

The TCaF will run two application windows across the 2020-21 financial year, to ensure applicants are able to access funds throughout the year. The first TCaF application window will open on 6th April 2020 and will close on 31st July 2020, whilst the second TCaF application window will open on 1st September 2020 and close on 31st December 2020.

Applications for TCaF must be linked to a successful growth proposal, as defined in section 1.4 of the DfE's guidance. The DfE will consider growth applications that were approved by RSCs between February and December 2020. Growth proposals approved by the RSC in either February or March 2020 must submit a TCaF application in the first application window. For the first application window, the growth proposal must be approved by the RSC no later than 31st July 2020. Growth proposals approved in August will be eligible for funding in the second TCaF application window. For the second application window, growth proposals must be approved by the RSC no later than 31st December 2020.

All funded activities in the TCaF application must start no earlier than 6th April 2020 and be completed by 31st March 2021.

Eligibility:

All academy trusts are eligible to apply for TCaF funding under strands A-C unless they have an open Financial Notice to Improve (FNtI). The department's published eligibility checker for strands A-C will determine which strand each trust is eligible for. If you wish to apply for strands A-C of funding, you must:

- take at least one additional school into your trust;
- demonstrate how you plan to use the funding efficiently and effectively;
- be of sound financial health and, as a minimum requirement, not have an open FNtI; and
- in certain cases, you may be required to consent to a visit by a School Resource Management Advisor (SRMA).

Good or outstanding LA maintained rural schools are also eligible to apply for TCaF, through strand D of the fund. If you wish to apply for this strand you must:

- apply to convert to academy status;
- provide a clearly defined plan for growing your MAT, committing to take on at least 2 additional schools, who will submit a conversion application by 31st March 2021;
- demonstrate how you plan to use the funding efficiently and effectively; and
- agree to an SRMA visit to help establish the correct governance and finance at the outset of forming the new MAT.

Further details can be found: <https://www.gov.uk/government/publications/apply-to-the-trust-capacity-fund>.