



Ms Julie Cottee
Chair of Governors
The Wren School
St Marks Church Hall
94 Cranbury Road
Reading
RG30 2TA

8th January 2019

Dear Julie,

FS0279 West Reading Education Network (WREN) Funding Approval Letter (10)

Thank you for working with the Department for Education and providing information about the West Reading Education Network (WREN) school (“the project”) to us.

The procured construction works for the project are with Kier and the works completed on 26 November 2018. Following the previous FAL (9) to regularise the budget allocation towards the contract final account, this FAL amalgamates the remainder of the funding of the FF&E, temporary accommodation and the permanent accommodation into one construction contract sum. This also releases the ICT decant sum from the contract to the Trust.

Having checked all of the relevant information relating to your project I confirm that the funding can now be released for ICT and the Building Works contracts.

Approval should be sought if, between now and contract execution, different terms are negotiated which either affect the nature of the scheme or those relevant agreed terms and conditions differ from the information that you have provided to date. Furthermore, following execution of contracts, the free school should not seek to vary any terms or conditions of the contracts without the Department’s prior written consent.

The funding support for the project is as shown in the table below:

Funding Allocated in this Letter:

Element	Approved Funding
Construction Contract	£3,483,663.72
FFE Contract	-£538,097.00
ICT Contract	£45,780.00
Temporary Accommodation Contract	-£3,909,764.25
Total	-£918,417.53

Funding Allocated in Previous Letters:

FAL 1 (March 2015), FAL 2 (22/06/2015), FAL 3 (06/07/2015), FAL 4 (20/06/2016),
 FAL 5 (15/12/2106), FAL 6 (February 2017), FAL 7 (March 2017), FAL 8 (December 2018),
 FAL 9 (Nov 2018)

Element	Approved Funding
Construction Contract	<u>£24,448,866.30</u> FAL 2 - £1,458,088.38 FAL 3 - £26,312.50 FAL 4 - £545,377.00 FAL 5 - £140,950.00 FAL 6 - £21,872,123.80 FAL 7 - £300,060.00 FAL 8 - £105,954.62
FFE Contract	<u>£1,176,000.00</u> FAL 1 - £45,000.00 FAL 4 - £122,412.00 FAL 6 - £1,008,588.00
ICT Contract	<u>£767,345.00</u> FAL 1 - £757,855.00 FAL 9 - £9,490.00
Temporary Accommodation Contract	<u>£3,909,764.25</u> FAL 1 - £153,180.00 FAL 3 - £699,981.50 FAL 4 - £2,374,472.58 FAL 6 - £742,267.92 FAL 9 - £60,137.75
Total	£30,301,975.55

Total funding allocated to date following the consolidation of FF&E and temps onto the construction budget:

Element	Approved Funding
Construction Contract	£27,932,530.02
FFE Contract	£637,903.00
ICT Contract	£813,125.00
Temporary Accommodation Contract	£0.00
Total	£29,383,558.02

It is your responsibility to ensure the proper and efficient management of the delivery of the contracts relating to the works/supplies which are funded as allocated above. The Department will not fund any variation initiated by the

free school on this project without the Department's prior consent, nor will the Department fund any project costs overrun that may arise on this project. It is vital that the project is delivered within the funding allocation provided.

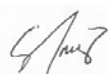
Please note that the approved funding has been calculated exclusive of VAT on the basis that the trust will be able to reclaim all VAT incurred on this project – as detailed in the Finance Act 2011. The Department will, however, fund short-term working capital requirements for VAT incurred on these works, which should be identified and claimed on the Free School Grant Claim Form. The Department require reimbursement when the VAT is reclaimed from HMRC by the trust. In due course, the trust will be invoiced for the VAT balance and will be sent regular statements until the balance is cleared.

Where the trust is unable to use the s33 powers to recover a proportion of the VAT paid on the construction contract (for example, where the recoverable percentage is less than 100% due to existing or proposed commercial use of the school property) then the Department will fund such non-recoverable VAT, provided that the trust has not acted in such a manner as to undermine its ability to recover all VAT which it is entitled to recover under s33, and also that the trust would have used all reasonable endeavours to recover such VAT. Department also reserves the right to make representations on behalf of the trust to HMRC with regard to any refusal on their part to sanction VAT recovery by the trust.

To make a claim for funds, please complete the attached claim form and email it to the Department at CapitalClaims.FREESCHOOLS@education.gov.uk, attaching your contractor and supplier invoices / claims which are to be funded. The claim will be paid to the free school trust within 14 days of receipt. Before sending your first capital claim please send your bank details to AccountsPayable.EFAFINANCE@education.gov.uk copying your project director from the Department.

Once the contracts have been executed, I would be grateful if you could confirm in writing that such execution has taken place and provide for our records copies of the executed versions of all relevant documents, including the Design and Build Contracts. Also, please provide the Department with an electronic copy of the suite of transaction documentation for your project – this should include all contract documentation (including the schedules of such documentation) executed subsequent to the procurement exercise.

Yours sincerely,



Chris Drury
Regional Head, Free Schools

Cc (by email):

Paul Mustow, Divisional Director, Free Schools

Michelle Turner, Deputy Director, Free Schools

Kären Summers, Project Director

Martin Coleman, ICT Advisor

Rob Williamson, VA Team Manager

Julie Cottee, WREN School, jcottee@wrenschool.org