

MANCHESTER ACADEMY

SUPPLEMENTAL AGREEMENT

19 OCTOBER 2005

Lewis Silkin
12 Gough Square
London EC4A 3DW

GRD/82548.5
07/09/2005
Doc.No. 946362-5

THIS AGREEMENT made 19 October 2005

BETWEEN

(1) **THE SECRETARY OF STATE FOR EDUCATION AND SKILLS**; and

(2) **UNITED LEARNING TRUST**

IS SUPPLEMENTAL TO THE MASTER FUNDING AGREEMENT made between the same parties and dated the same date as this Agreement (the "**Master Agreement**").

1 DEFINITIONS AND INTERPRETATION

1.1 Except as expressly provided in this Agreement words and expressions defined in the Master Agreement shall have the same meanings in this Agreement as were ascribed to them in the Master Agreement.

1.2 The following words and expressions shall have the following meanings:

"the Academy" the Manchester Academy established in Moss Side, Manchester.

1.3 Reference in this Agreement to clauses and Annexes shall, unless otherwise stated, be to clauses and annexes of this Agreement.

2 THE ACADEMY

2.1 The Company will sponsor the Academy.

2.2 The specialism of the Academy will be business and enterprise.

2.3 The arrangements for admission of pupils to the Academy are set out in Annex 1.

2.4 The Academy opened on 1 September 2003.

3 CAPITAL EXPENDITURE

3.1 The Cash Limit will be £19,786,149.

3.2 The Company's Contribution will be £2,000,000.

3.3 The Capital Costs Spreadsheet is annexed to this Agreement as Annex 2.

3.4 The Capital Cashflow Programme is attached to this Agreement as Annex 3B.

3.5 Payment of Capital Grant is conditional upon the approval by the Secretary of State of the matters set out in Capital Cashflow Programme.

3.6 The Secretary of State agrees to pay Capital Grant to the Company in accordance with the Master Agreement and this Agreement.

4 IMPLEMENTATION GRANT

The Secretary of State agrees to pay Implementation Grant to the Company in accordance with Annex 3C to this Agreement.

5 GAG AND EAG

The Secretary of State agrees to pay GAG and EAG to the Company in relation to the Academy in accordance with the Master Agreement.

6 TERMINATION

6.1 Either party may give not less than seven years' written notice to terminate this Agreement, such notice to expire on 31 August 2010 or any subsequent anniversary of that date.

6.2 If the Secretary of State is of the opinion that the Academy no longer has the characteristics set out in clause 11 of the Master Agreement or that the conditions and requirements set out in clauses 11 and 12 of the Master Agreement are not being met, or that the Company is otherwise in material breach of the provisions of this Agreement or the Master Agreement or the Company has been in material breach of the relevant Existing Funding Agreement, the Secretary of State may give notice of his provisional intention to terminate this Agreement.

6.3 Any such notice shall be in writing and shall:

6.3.1 state the grounds on which the Secretary of State considers the Academy no longer has the characteristics set out in clause 11 of the Master Agreement or is not meeting the conditions and requirements of clauses 11 and 12 of the Master Agreement or the Company is otherwise in material breach of the provisions of this Agreement or the Master Agreement;

6.3.2 specify the measures needed to remedy the situation or breach;

- 6.3.3 specify a reasonable date by which these measures are to be implemented;
and
- 6.3.4 state the form in which the Company is to provide its response and a reasonable date by which it must be provided.
- 6.4 If no response is received by the date specified in accordance with clause 6.3, the Secretary of State may give the Company 12 months, or such lesser period as he considers appropriate in the circumstances, written notice to terminate this Agreement.
- 6.5 If a response is received by the date specified in accordance with clause 6.3, the Secretary of State shall consider it, and any representations made by the Company, and shall, within three months of its receipt, indicate that:
- 6.5.1 he is content with the response and/or that the measures which he specified are being implemented; or
- 6.5.2 he is content, subject to any further measures he reasonably specifies being implemented by a specified date or any evidence he requires that implementation of such measures have been successfully completed; or
- 6.5.3 he is not satisfied, that he does not believe that he can be reasonably satisfied, and that he will proceed to terminate the Agreement.
- 6.6 In the circumstances of clause 6.5 the Secretary of State shall notify the Company why he believes that he cannot be reasonably satisfied and, if so requested by the Company within thirty days from such notification, he shall meet a deputation including representatives from directors of the Company and the Local Governing Body of the Academy to discuss his concerns. If following such meeting he has good reasons for remaining satisfied that the Academy does not and will not have the characteristics set out in clause 11 of the Master Agreement or does not and will not meet the conditions and requirements set out in clauses 11 and 12 of the Master Agreement or the Company is in material breach of the provisions of this Agreement or the Master Agreement and such breach will not be remedied to his reasonable satisfaction, he shall give the Company twelve months written notice to terminate this Agreement.
- 6.7 If the Secretary of State has cause to serve a notice on the Company under section 165 of the Education Act 2002 and a determination (from which all rights of appeal

have been exhausted) has been made that the Academy shall be struck off the Register of Independent Schools, the period of twelve months notice referred to in clause 6.6 may be shortened to a period deemed appropriate by the Secretary of State.

6.8 The Secretary of State will, by not later than the end of December each year provide to the Company an indication of the level of funding to be provided by the Secretary of State to the Company by way of GAG and EAG in the next following financial year (the "Indicative Funding"). If the Company is of the opinion that, after receipt of the Indicative Funding for the next following financial year (the "Critical Year") and of the taking into account all other resources available to the Academy, including such funds as are set out in clause 86 of the Master Agreement and such other funds as are available to the Academy from other ULT academies ("**All Other Resources**"), it is likely that the cost of running the Academy during the Critical Year would cause the Company, on the basis of the Indicative Funding, to become insolvent (and for this reason only) then (provided it has complied with clause 37 of the Master Agreement) the Company may give notice of its intention to terminate this Agreement at the end of the then current financial year.

6.9 Any notice given by the Company under clause 6.8 shall be in writing and shall be served on the Secretary of State not later than 28 February preceding the Critical Year or, if the Secretary of State shall not have given notice of the Indicative Funding to the Company on or before the date specified in clause 6.8 above, within six weeks after the Secretary of State shall have done so. The notice must specify:

6.9.1 the grounds upon which the Company's opinion is based and include the evidence of those grounds and any professional accounting advice the Company has received and including a detailed statement of steps which the Company proposes to take with a view to ensuring that as soon as reasonably practicable the costs of running the Academy are reduced sufficiently to ensure that such costs are less than the Indicative Funding and All Other Resources and the period of time within which such steps will be taken; and

6.9.2 the shortfall in the Critical Year between the Indicative Funding and All Other Resources expected to be available to the Company to run the Academy and the projected expenditure on the Academy; and

- 6.9.3 a detailed budget of income and expenditure for the Academy during the Critical Year (the "Projected Budget").
- 6.10 Both parties undertake to use their best endeavours to agree whether or not the cost of running the Academy during the Critical Year would cause the Company, on the basis of the Indicative Funding and All Other Resources, to become insolvent. Both parties recognise that they will need to engage in a constructive dialogue at the time about how best to provide education for the pupils at the Academy and undertake to use their best endeavours to agree a practical solution to the problem.
- 6.11 If no agreement is reached by 30 April (or such other date as may be agreed between the parties) as to whether the cost of running the Academy during the Critical Year on the basis of the Indicative Funding and All Other Resources would cause the Company to become insolvent, then that question shall be referred to an independent expert (the "Expert") for resolution. The Expert's determination shall be final and binding on both parties. The Expert shall be requested to specify in his determination the amount of the shortfall in funding (the "Shortfall"). The Expert shall be an insolvency practitioner chosen by agreement between the parties. If the parties fail to agree then the Expert shall be appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales. The Expert's fees shall be borne equally between the parties.
- 6.12 If the Expert determines that the cost of running the Academy during the Critical Year would cause the Company, on the basis of the Indicative Funding and All Other Resources, to become insolvent, and the Secretary of State shall not have agreed to provide sufficient additional funding to cover the Shortfall, then the Company shall be entitled to terminate this Agreement, by notice expiring on 31 August prior to the Critical Year. Any such notice shall be given within 21 days after the Expert's determination shall have been given to the parties.
- 6.13 The Secretary of State may at any time by notice in writing terminate this Agreement forthwith if the Academy has ceased (except where such cessation occurs temporarily by reason of an event beyond the reasonable control of the Company) to operate as an Academy within the meaning of Section 482 of the Education Act 1996.

7 EFFECT OF TERMINATION

- 7.1 In the event of termination of this Agreement however occurring the school shall cease to be an Academy within the meaning of Section 482 of the Education Act 1996.
- 7.2 If the Secretary of State terminates this Agreement for reasons other than that the Academy no longer has the characteristics set out in clause 7 of the Master Agreement, or is no longer meeting the conditions and requirements set out in clauses 8 and 9 of the Master Agreement that the Company is otherwise in material breach of the provisions of this Agreement or the Master Agreement, the Secretary of State shall indemnify the Company.
- 7.3 The amount of any such indemnity shall be determined by the Secretary of State having regard to any representations made to him by the Company, and shall be paid at such times and in such manner as the Secretary of State may reasonably think fit.
- 7.4 The amounts and categories of expenditure incurred by the Company in consequence of the termination of the Agreement in respect of which the Secretary of State shall indemnify the Company include (but not by way of limitation), staff compensation and redundancy payments, compensation payments in respect of broken contracts, expenses of disposing of assets or adapting them for other purposes, legal and other professional fees, and dissolution expenses.
- 7.5 On the termination of this Agreement however occurring the Company shall repay to the Secretary of State a sum in respect of the Capital Grant made under clause 3.
- 7.6 The amount to be repaid to the Secretary of State in accordance with clause 7.5 shall be determined in accordance with subclauses 7.6.1 or 7.6.2 as appropriate.
- 7.6.1 Where the Company retains the site and buildings of the Academy the amount to be repaid to the Secretary of State shall be a percentage of the value of the assets belonging to the Company at the date of termination which were purchased wholly or in part with capital grants paid under this agreement. Such percentage to be the same as the percentage of the capital contribution made by the Secretary of State to the original cost of those assets, whether that contribution was made on the establishment of the Academy or later;

7.6.2 Where the Company disposes of the site and buildings of the Academy the amount to be repaid to the Secretary of State shall be a percentage of the net proceeds of the realisation of the assets belonging to the Company at the date of termination, which were purchased wholly or in part with capital grants paid under this agreement. Such percentage to be the same as the percentage of the capital contribution made by the Secretary of State to the original value of those assets whether than contribution was made on the establishment of the Academy or later.

7.7 The Secretary of State may waive in whole or in part the repayment due under clause 7.6 if:

7.7.1 The Company obtains his permission to invest the proceeds of sale for its charitable objects; or

7.7.2 The Secretary of State directs all or part of the repayment to be paid to the LEA.

7.8 If any land or premises of the Academy were acquired by the Company from an LEA by a scheme under Schedule 35A of the 1996 Act or otherwise at less than the market value of the land at the date of acquisition, and the Secretary of State does not make a scheme as provided for in Schedule 35A (Paragraph 8) of the 1996 Act , the Company may dispose of its interest in that land or premises but only with the consent of the Secretary of State, who shall have regard to any representations from the Company and the LEA from which the land was transferred before giving or withholding that consent.

8 ANNEXES

The Annexes to this Agreement form part of and are incorporated into this Agreement.


9 THE MASTER AGREEMENT

Except as expressly provided in this Agreement the Master Agreement shall continue in full force and effect.

10 ENGLISH LAW


This Agreement shall be governed by and interpreted in accordance with English law.

SIGNED by G SAVIC)
On behalf of UNITED)
LEARNING TRUST)



Governor

SIGNED by NEIL FLINT)
On behalf of THE SECRETARY OF STATE)
FOR EDUCATION AND SKILLS)



Duly authorised

ANNEXES TO THIS SUPPLEMENTAL AGREEMENT

Arrangements for Admission for pupils at the Academy	Annex 1
Capital Costs Spreadsheet	Annex 2
Capital expenditure incurred for the purposes of or in connection with the establishment of the Academy prior to the date of this agreement	Annex 3A
Capital Cashflow Programme (for monthly capital expenditure during the Academy's Implementation phase)	Annex 3B
Implementation phase cashflow programme	Annex 3C
Architects drawings/specification of the new build as proposed up to RIBA Stage D	Annex 4

ANNEX 1

**PROPOSED ARRANGEMENTS FOR THE ADMISSION OF PUPILS TO
MANCHESTER ACADEMY**

1. This document sets out the admission arrangements for Manchester Academy, which have been compiled in consultation with Manchester LEA. Any changes to the arrangements set out in this document, with the exception of setting a published admission number higher than the agreed admission number for a specific year, must be approved in advance by the Secretary of State.
2. For the purposes of this Annex, references in admission law and in the statutory Codes of Practice to admissions authorities shall be deemed to be references to the Company.

ADMISSION ARRANGEMENTS APPROVED BY SECRETARY OF STATE

3. The admission arrangements for Manchester Academy for the year 2003/2004 and, subject to any changes approved by the Secretary of State, for subsequent years are:
 - (a) Manchester Academy has an agreed admissions number of 180 pupils, and will accordingly admit at least 180 pupils in the relevant age group each year if sufficient applications are received. Where fewer than 180 applications are received, the Manchester Academy will offer places to all those who have applied. Where the numbers of applicants exceeds 180, applications will be considered in accordance with the criteria in para 7 and para 8
 - (b) Manchester Academy may set a higher admission number as its published admission number for any specific year. Before setting an admission number higher than its agreed admission number, the Manchester Academy will consult those listed at paragraph 30 below.
 - (c) Pupils will not be admitted above the published admission number unless exceptional circumstances shall be reported to the Secretary of State.

PROCESS OF APPLICATION

4. Applications for places at Manchester Academy will be made in accordance with Manchester LEA's co-ordinated admissions arrangements and will be made on the Common Application Form provided and administered by Manchester LEA. The following timetable for applications will be used each year (exact dates within the months may vary from year to year).
 - (a) September: Manchester Academy will publish in its prospectus information about the arrangements for admission, including over-subscription criteria, for the following September (i.e. September 2002 for admission in September 2003). This will include details of open days and/or evenings and other opportunities of prospective pupils and their parents to visit the Academy. It will notify the date by which applications must be received by the Academy and include the Manchester Academy application form. Manchester Academy will provide information to the LEA for inclusion in the composite prospectus, as required.
 - (b) September/October: Manchester Academy will hold open days/evenings and other opportunities for parents to visit the Academy as determined by the Principal and the Governing Body.
 - (c) October/November: Closing date for the application form (will vary year on year).
 - (d) November: Manchester Academy will give the Manchester LEA a list of applicants, unless the City Academy and LEA have already agreed that this should be co-ordinated through the LEA.
 - (e) December/January: Applications will be considered.
 - (f) January 31st: Offers of places notified in writing to parents and the LEA.
5. This timetable reflects the practice in Manchester LEA and is intended to secure a co-ordinated approach to admission for parents and pupils. Manchester Academy will be part of the Manchester co-ordinated scheme for admissions.

CONSIDERATION OF APPLICATIONS

6. Manchester Academy may refuse admission to particular applicants in cases where fewer than the published admission number have applied. These are applicants who have been excluded from two or more other schools and the ability to refuse admissions runs for a period of two years since the last exclusion. One of the exclusions must have occurred after the 1st September 1997. Exclusions which took place before the child concerned reached compulsory school age, do not count for this purpose. The Academy may also refuse admission to pupils (other than in the normal year of entry) in the specific and limited circumstances described in paragraph 7.7 of the statutory Code of Practice. In all the circumstances described in the paragraph, however, the Secretary of State may direct Manchester Academy to admit such a pupil and that direction shall be binding on the Manchester Academy.

PROCEDURES WHERE MANCHESTER ACADEMY IS OVER-SUBSCRIBED

7. Where the number of applications for admission is greater than the published admissions number, applications will be considered for Year 7 to 11 against the criteria set out below
 - (a) Children who are in Public Care (Looked after Children) at the time of the application.
 - (b) Admission of pupils with statements of Special Educational Needs where the Manchester Academy is named on the statement.
 - (c) Siblings currently attending the Academy and who will continue to do so on the date of admission. The term "sibling" means full, step, half, adopted or fostered brother or sister, but not cousins. The Academy reserves the right to ask for proof of relationship.
 - (d) Specific medical needs, social needs and special needs where the application is supported by written professional advice as to why admission to the Academy is essential.
8. Remaining potential applicants will be assessed on the basis of nearest to the Academy – using straight-line measurement from their permanent home address.
9. Notwithstanding the provisions of paragraphs above, the Secretary of State may direct the Academy to admit a named pupil to the Academy on application from the LEA. The Secretary of State shall in such circumstances consult the Academy before making such a direction and have regard to its comments.

ARRANGEMENTS FOR APPEAL PANELS

10. Parents will have the right of appeal to an independent Appeal Panel if they are dissatisfied with an admission decision of the Manchester Academy. The Appeal Panel will be independent of the Academy and will be comprised of a minimum of three members who will include:
 - (a) At least one independent person who has no professional experience of education or personal experience of the Academy, known as a lay member;
 - (b) At least one person with experience in education;
11. The arrangements for appeals will be in line with the Code of Practice on School admission Appeals published by the Department for Education and Skills.
12. Parents will normally have 14 days after the notification of a place not being offered at Manchester Academy to lodge an appeal. The notification will provide the parent with a written statement detailing the reasons why it has not been possible to allow the child to attend Manchester Academy and will explain the parent's right of appeal.
13. Parents wishing to appeal against an admission decision by Manchester Academy should send a completed appeal form to the Clerk to the Appeal Panel at the address given on the appeal form. Other documentation may be submitted in support of an appeal and should be lodged with the Clerk to the Appeal Panel not less than 7 days before the appeal hearing. The Appeal Panel will have the discretion to refuse to admit late evidence.
14. Parents will be given 14 days notice of the appeal hearing, unless they agree to a shorter period of notice.
15. The Clerk to the Appeal Panel will, if possible, inform parents of the Appeal Panel's decision within 2 working days of the end of the hearing. The parent will also be informed of the outcome in writing within 14 days of the date of the hearing. In the case of unsuccessful appeals the Appeal Panel will give the parents a written statement setting out its reason for not upholding the appeal.

ARRANGEMENTS FOR ADMISSION TO POST 16 PROVISION

16. Manchester Academy will wish to encourage all students to attend sixth form whether or not they have previously been pupils of the Academy. The

Academy has an agreed admission number of 20 students in each year of the Sixth Form.

17. Manchester Academy will publish specific criteria in relation to minimum entrance requirements based upon GCSE/GNVQ grades for each of the courses available. The detailed information will be contained in the sixth form prospectus published on an annual basis each September.
18. There will be a right of appeal to the Appeal Panel using the process as set out in paragraphs 10 to 15 for unsuccessful applicants.

ARRANGEMENTS FOR ADMITTING PUPILS TO OTHER YEAR GROUPS, INCLUDING ARRANGEMENTS TO REPLACE ANY PUPILS WHO HAVE LEFT THE ACADEMY

19. If an application is made for a student to be admitted to the Academy and the required year group is below the level of the published admission number applicable to the age group, the student will be accepted.
20. Where a year group in Manchester Academy is at the level of the published admission number applicable to the age group, the Academy will operate a waiting list for those students who have applied for a place and been refused.
21. There will be a right of appeal to the Appeals Panel for unsuccessful applicants.

ARRANGEMENTS FOR ADMISSION OF PUPILS AS MANCHESTER ACADEMY BUILDS TO FULL CAPACITY

22. Manchester Academy will open on 1st September 2003 with a published admission number of 180, which relates to pupils in year 7 and all subsequent compulsory years 7 – 11.
23. The Academy may admit 180 pupils in Year 7 in September 2003.
24. Admission to year groups with a published number will be based on the size of teaching groups and the efficient use of resources.
25. There will be a right of appeal to the Appeals Panel for unsuccessful applicants.

ANNUAL PROCEDURES FOR DETERMINING ADMISSION ARRANGEMENTS

26. Manchester Academy shall consult each year on its proposed admission arrangements.
27. Manchester Academy will consult by 1st March prior to the publication of admission arrangements the following September with:
 - (a) Manchester LEA.
 - (b) Any other admissions authorities for primary or secondary schools, located within the relevant area for consultation set by Manchester LEA.
 - (c) Any other governing body for primary or secondary schools (as far as not falling within (b)), located within the relevant area for consultation.

DETERMINATION AND PUBLICATION OF ADMISSION ARRANGEMENTS

28. Following consultation, Manchester Academy will consider comments made by those consulted. Manchester Academy will then determine its admission arrangements by 15th April of the relevant year and notify those consulted as to what has been determined.

PUBLICATION OF ADMISSION ARRANGEMENTS

29. Manchester Academy will publish its admission arrangements in May of each year once these have been determined by copies being:
 - (a) sent to primary, special and secondary schools in Manchester LEA;
 - (b) sent to offices of Manchester LEA;
 - (c) made available without charge on request from the Manchester Academy;
 - (d) sent to public libraries in the area of Manchester LEA for the purposes of being made available at such libraries for reference by parents and other persons.
30. The published arrangements will set out:
 - (a) The name and address of the school and contact details;
 - (b) A summary of the admissions policy, including over-subscription criteria;

- (c) Numbers of places and applications for those places in the previous year;
- (d) Arrangements for hearing appeals.

REPRESENTATIONS ABOUT ADMISSION ARRANGEMENTS

- 31. Where other admissions authorities in the relevant area make representations to Manchester Academy about its admission arrangements, Manchester Academy will consider such representations. Where Manchester Academy and other admission authorities cannot reach agreement locally, any admission authority may make representations to the Secretary of State. The Secretary of State will consider the representation and in doing so will consult Manchester Academy. Where she/he judges it appropriate, the Secretary of State may direct Manchester Academy to amend its admission arrangements.
- 32. Other admission authorities in the Manchester area have the right to ask Manchester Academy to increase its proposed published admissions number for any year. Where such a request is made, but agreement cannot be reached locally, an admission authority may ask the Secretary of State to direct Manchester Academy to increase its proposed admissions number. The Secretary of State will consult with Manchester Academy and will then determine the published admissions number.
- 33. In addition to the provisions at paragraphs 34 and 35 above, the Secretary of State may direct changes to the proposed published admissions number.

PROPOSED CHANGES TO ADMISSION ARRANGEMENTS BY MANCHESTER ACADEMY AFTER ARRANGEMENTS HAVE BEEN PUBLISHED

- 34. Once the admission arrangements have been determined and published, Manchester Academy will propose changes only if there is a major change of circumstances. In such cases, Manchester Academy must consult those consulted under paragraph 29-30 above and must then apply to the Secretary of State setting out:-
 - (a) The proposed changes;
 - (b) Reasons for wishing to make changes;
 - (c) any comments or objections from those entitled to object.

35. The Secretary of State will consider applications from Manchester Academy to change its admissions arrangements only when Manchester Academy has consulted on the proposed changes as outlined at 29-30 above.
36. Where Manchester Academy has consulted on proposed changes and there have been no objections from other admissions authorities, Manchester Academy must still secure the agreement of the Secretary of State before any such changes can be implemented. Manchester Academy must seek the Secretary of State's approval in writing, setting out the reasons for the proposed changes and passing to her any comments or objections from other admission authorities/other persons.
37. The Secretary of State can approve, modify or reject proposals from Manchester Academy to change its admission arrangements.
38. Records of applications and admissions shall be kept by Manchester Academy for a minimum period of ten years and shall be open for inspection by the Secretary of State.

- (d) Arrangements for hearing appeals.

REPRESENTATIONS ABOUT ADMISSION ARRANGEMENTS

31. Where other admissions authorities in the relevant area make representations to Manchester Academy about its admission arrangements, Manchester Academy will consider such representations. Where Manchester Academy and other admission authorities cannot reach agreement locally, any admission authority may make representations to the Secretary of State. The Secretary of State will consider the representation and in doing so will consult Manchester Academy. Where she/he judges it appropriate, the Secretary of State may direct Manchester Academy to amend its admission arrangements.
32. Other admission authorities in the Manchester area have the right to ask Manchester Academy to increase its proposed published admissions number for any year. Where such a request is made, but agreement cannot be reached locally, an admission authority may ask the Secretary of State to direct Manchester Academy to increase its proposed admissions number. The Secretary of State will consult with Manchester Academy and will then determine the published admissions number.
33. In addition to the provisions at paragraphs 34 and 35 above, the Secretary of State may direct changes to the proposed published admissions number.

PROPOSED CHANGES TO ADMISSION ARRANGEMENTS BY MANCHESTER ACADEMY AFTER ARRANGEMENTS HAVE BEEN PUBLISHED

34. Once the admission arrangements have been determined and published, Manchester Academy will propose changes only if there is a major change of circumstances. The decision to propose changes to the admission arrangements after these arrangements have been published may not be delegated by the Company. In such cases, Manchester Academy must consult those consulted under paragraph 29-30 above and must then apply to the Secretary of State setting out:-
- (a) The proposed changes;
 - (b) Reasons for wishing to make changes;
 - (c) any comments or objections from those entitled to object.

35. The Secretary of State will consider applications from Manchester Academy to change its admissions arrangements only when Manchester Academy has consulted on the proposed changes as outlined at 29-30 above.
36. Where Manchester Academy has consulted on proposed changes and there have been no objections from other admissions authorities, Manchester Academy must still secure the agreement of the Secretary of State before any such changes can be implemented. Manchester Academy must seek the Secretary of State's approval in writing, setting out the reasons for the proposed changes and passing to her any comments or objections from other admission authorities/other persons.
37. The Secretary of State can approve, modify or reject proposals from Manchester Academy to change its admission arrangements.
38. Records of applications and admissions shall be kept by Manchester Academy for a minimum period of ten years and shall be open for inspection by the Secretary of State.

CAPITAL COSTS SPREADSHEET - ANNEX 2

BASED ON ULT COST PLAN / AEDAS DESIGN 3.03.03

ACADEMY ESTIMATED COST (NEW BUILD) FOR

900 PUPILS

AGES

11-16

TPI FOR BENCHMARK @

3Q02

137

TPI - ANTICIPATED TENDER

2Q03

143

NAME MANCHESTER CITY ACADEMY

NOR 16-18	250	BASIC FEE LEVEL	11.0
NOR 11-16	900		
DESIGN AREA	10384 M2	BCIS LOCATION FACTOR	10.97
TARGET AREA SAVING	271 M2	NEW BUILD £/M2	1,117
TARGET DESIGN AREA	10,113 M2	F&E PER PUPIL	1,400
Add for SEN	Incl	ICT: 11-16 (PER PUPIL)	1,289
TOTAL AREA	10,113 M2	ICT: 16-18	0
AVERAGE AREA PER PUPIL	8.79 M2		

	ELEMENT		M2		COST	FEEES	VAT
1	NEW BUILD		10,113	£1,117	11,778,718		
2	ICT INFRASTRUCTURE 11-16			Included	0		
3	ICT INFRASTRUCTURE 16-18				0		
4	EXTERNAL WORKS ON 1 @		%		1,140,797		
5	BUILDING COST INCLUDING EXT WORKS (1-4)				12,919,515		
6	5 ADJUSTED FOR LOCATION FACTOR	0.97			INCLUDED		
7	6 ADJUSTED - TENDER PRICE INDEX	1.04			INCLUDED		
8	PROF FEES ON 7 @	11%				1,421,147	0
9	TOTAL OF 7 AND 8					1,421,147	0
10A	FIXED EDUCATIONAL F&E						
10B	10A ADJUSTED - TPI				597,147		26,852
11	PROF FEES ON 10B @	11.0%				65,686	0
12A	LOOSE EDUCATIONAL F&E.						
12B	12A ADJUSTED - TPI				1,030,701		180,373
13	PROCUREMENT FEE ON 12B					45,000	5,250
14	ICT EQUIPMENT				1,510,500		264,337
15	DESIGN/PROCUREMENT FEE ON 2,3,14					20,000	0
16	SUB TOTALS OF 9-15				16,057,863	1,551,833	476,812
17	TOTAL OF 16				18,086,508	Inc Fees & VAT	
18	OVERALL COST PER M2				£1,788	Inc VAT	
19	OVERALL COST PER PUPIL				£15,727		

VAT RECOVERED

VAT on 30%
VAT RECOVERED

LESS £75,000 RE-USED
VAT on 100%
VAT on 100%

VAT on 100%
VAT on 100%

Building (includes ICT infrastructure)		14,340,662	includes fees & VAT
Educational F&E	1,951,009		includes fees & VAT
ICT equipment	1,794,837	3,745,846	includes fees & VAT
TOTAL		18,086,508	includes fees & VAT

The above figures exclude:

- 1) Abnormals (building/site etc)
- 2) Temporary accommodation
- 3) Demolitions
- 4) Inflation to any extended project completion date
- 5) Unforeseen VAT on buildings/fixtures
- 6) Additional costs as outlined in capital letter
- 7) Start-up consumables and small equipment.

20	PROCEEDS FROM DISPOSAL OF LAND			0	
21	COSTS ADDITIONAL TO ALLOWANCES			1,699,641	
22	TOTAL			19,786,149	

CAPITAL EXPENDITURE INCURRED PRE-FUNDING AGREEMENT - ANNEX 3A

ANNEX 3A

DATE 05-Jul-04

CAPITAL EXPENDITURE INCURRED PRIOR TO THE FUNDING AGREEMENT

The figures set out below represent the approved capital expenditure incurred prior to the signing of the Funding Agreement. This expenditure forms part of the capital cost of the project and is included within the overall cash limit referred to in this agreement

	Element	£	Vat	Total
1	Building/external works	0	0	0
2	Professional fees on 1			
a	Architect	182,200	inc	182,200
b	Quantity Surveyor	41,200	inc	41,200
c	Structural Engineer	0	inc	0
d	Services Engineer	0	inc	0
e	Landscape Architect	0	inc	0
f	Planning Supervisor	0	inc	0
g	Building Project Management	0	inc	0
	Total of 2a - 2g	223,400	0	223,400
3	Fixed educational F&E	0	0	0
4	Professional fees on 3	0	0	0
5	Loose educational F&E	0	0	0
6	Professional fees on 5	0	0	0
7	ICT equipment	0	0	0
8	Professional fees on 7	0	0	0
9	Surveys (incl Fees/Vat)	9,800	inc	9,800
10	Statutory fees (incl Fees/Vat)	0	0	0
11	Other (incl Fees/Vat)	0	0	0
12	Legal costs (incl Fees/Vat)	0	0	0
13	TOTAL	233,200	0	233,200
	EXPENDITURE SPLIT			
14	CONTRIBUTION - SPONSOR			0
15	CONTRIBUTION - OTHER			0
16	CONTRIBUTION - OTHER			0
17	CONTRIBUTION - DfES	233,200	0	233,200
18	TOTAL	233,200	0	233,200

PLANNED IMPLEMENTATION PHASE EXPENDITURE

City Academy:

Estimated Cash Flow (Figures to include VAT)	Year One												TOTAL	
	£000s													
	Mth January	Mth February	Mth March	Mth April	Mth May	Mth June	Mth July	Mth August				£		
Academy lead in costs	10,000	10,000	10,000	10,000	11,250	21,250	21,250	21,250	21,250	21,250	21,250	21,250	21,250	115,000
Project Management	13,625	28,625	28,625	28,625	28,625	28,625	28,625	28,625	28,625	28,625	28,625	28,625	28,625	212,000
Professional Advice			5,000		5,000			5,000						15,000
Administration	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	8,000
Publicity and Promotion		8,000	6,000	3,000	5,000	5,000	5,000							27,000
Other	4,613	4,613	4,613	4,613	4,613	4,613	4,613	4,613	4,613	4,613	4,613	4,613	4,613	36,900
TOTAL	29,238	52,238	55,238	47,238	55,488	60,488	60,488	60,488	60,488	60,488	60,488	53,488	53,488	413,900

Form submitted by:

Signature 1:

Name:

Position:

Date:

Signature 2:

Name:

Position:

Date:

MANCHESTER ACADEMY

DRAWINGS USED FOR THE FUNDING AGREEMENT COST PLAN

AEDAS ARCHITECTS

Survey drawings as existing

001 03/09/02
A11.01 26/03/03
01 21/11/02
02 09/12/02
03 09/12/02
04 09/12/02
05 06/12/02

Accommodation Schedule AS-11 11/06/03

Procurement Programme Overall 25/02/03

AL(0)-01 27/03/03

(LA)01 29/04/03

AL(0)-02 05/06/03

AL(0)-03 05/06/03

AL(0)-04 05/06/03

AL(0)-05 22/05/03

AL(0)-07 22/05/03

AL(0)18 22/05/03

AL(0)19 22/05/03

AL(0)20 22/05/03

South Covered Elevation

North Covered Elevation

East Covered Elevation

West Covered Elevation

3D Colour Visualisation 1

3D Colour Visualisation 2

3D Colour Visualisation 3