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### Guidance

# School capital funding

An overview of school capital funding, who it's for, current and past allocations, how it's calculated and spending guidance.

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### **Applies to England**

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### **Overview**

The Department for Education allocates funding each year to help maintain and improve the condition of school buildings and grounds.

In any given financial year, eligible schools can access funding through either:

- school condition allocations (SCA), with funds paid to eligible bodies responsible for maintaining school buildings
- the condition improvement fund (CIF), a bidding round with funds paid directly to single academy trusts, small multi-academy trusts (MATs), small voluntary aided (VA) bodies and sixth-form colleges

In addition, devolved formula capital (DFC) is allocated for individual schools and other eligible institutions to spend on capital projects that meet their own priorities.

## Who the funding is for

School condition funding includes capital allocations for:

- local authorities and local-authority-maintained schools, including maintained nursery schools
- local voluntary-aided bodies and voluntary-aided schools
- academies and large multi-academy trusts (MATs) and sponsors
- sixth-form colleges
- · special schools not maintained by the local authority
- special post-16 institutions with eligible students

## Eligibility for SCA for the 2023 to 2024 financial year

Schools are either part of bodies eligible for SCA or are eligible for CIF depending on their size and type.

Local authorities, larger MATs and larger VA school bodies receive direct SCA to invest in priorities across the schools for which they are responsible. Smaller academy trusts, smaller VA bodies and sixth-form colleges are instead able to bid into the <a href="Condition Improvement Fund">Condition Improvement Fund (CIF) (https://www.gov.uk/guidance/condition-improvement-fund)</a>.

CIF eligible schools have been invited to bid into the fund for 2023 to 2024. If a school has been invited to bid for CIF in the 2023 to 2024 financial year, their responsible body will not receive any SCA funding on their behalf. Schools invited to CIF should therefore apply for funding if they have condition investment requirements.

To receive direct SCA, multi-academy trusts and VA bodies must meet both eligibility criteria:

- the trust or VA body must have had 5 or more open schools at the start of September 2022
- those open schools (or their predecessor schools) must have had at least 3,000 pupils counted in the spring 2022 census or the 2021 to 2022 individualised learner record (ILR)

For special and alternative-provision schools (including pupil referral units), we multiply the pupil count by 4.5 for the purposes of SCA eligibility for the 2023 to 2024 financial year. For example, we would count a MAT with 1,000 pupils in special schools as having 4,500 pupils. This reflects the fact that these schools tend to have lower pupil numbers for their size and more complex facilities.

For eligibility, we count all pupils that are sole, dual-main, or dual-subsidiary enrolled. If pupils are registered at more than one institution, we divide the count by the number of institutions that the pupil is registered at. For example, pupils dual registered at a mainstream school and a pupil referral unit (PRU) would have their count divided by 2 at both institutions.

For nursery schools and sixth forms, we use the number of full-time equivalent (FTE) pupils rather than headcount.

We notify academy trusts and VA school bodies that are eligible for SCA each autumn. Eligibility should not be assumed unless it has been confirmed.

All of these institution types are eligible for devolved formula capital.

## Funding allocations for the 2022 to 2023 financial year

Capital funding is based on financial years. For the latest funding amounts see:

- school capital funding allocations for 2022 to 2023
   (https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/1074690/School\_capital\_funding\_allocations\_for\_2022\_to\_2023.ods) (ODS, 2.23 MB)

## How the funding is calculated

See <u>condition funding methodology for 2022 to 2023</u> (<a href="https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/1063628/Condition\_funding\_methodology\_2022\_to\_2023.pdf">https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/1063628/Condition\_funding\_methodology\_2022\_to\_2023.pdf</a>) (PDF, 347 KB, 15 pages) for information on eligibility and how the funding is calculated.

## What you can spend it on

See condition grants spend guidance

(https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_d ata/file/1063629/Condition\_grants\_spend\_guidance\_2022\_to\_2023.pdf) (PDF, 219 KB, 14 pages) for guidance on the purpose of the funding, what you can spend it on and over what time period.

# Additional school capital funding for the 2022 to 2023 financial year

Eligible schools and sixth-form colleges will receive an allocation from an additional £447 million of capital funding to improve energy efficiency in 2022 to 2023. This is part of an additional £500 million of capital funding for schools and further education institutions in England.

This funding is for institutions that were eligible for devolved formula capital in 2022 to 2023.

### See:

- additional school capital funding allocations for 2022 to 2023
   (https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment data/file/1121323/Additional school capital funding allocations 2022 to 2023.xlsx)

   (MS Excel Spreadsheet, 1.47 MB)

We expect to make payments in December 2022.

Payments are for individual institutions. Payments may go through local authorities, dioceses or multi-academy trusts to pass to their schools.

### What you can spend additional school capital funding on

You must spend this funding on capital projects, prioritising projects that improve your school estate's energy efficiency. Where you judge this is not appropriate based on local circumstances, you have discretion to spend this on other capital projects.

See <u>guidance</u> for education <u>providers</u> on <u>improving energy efficiency of your buildings and reducing energy use (https://www.gov.uk/government/publications/energy-efficiency-guidance-for-the-school-and-fe-college-estate).</u>

We expect you to spend the funding in the financial year 2022 to 2023. However, normal terms of devolved formula capital apply. See <u>condition grants spend</u> <u>guidance (https://www.gov.uk/guidance/school-capital-funding#what-you-can-spend-it-on)</u>.

If you have doubts about what is capital expenditure, get local professional advice.

### How additional school capital funding is calculated

We used the following formula to calculate allocations:

(£10,000 + £20.06 x weighted pupils) x VA factor

This will give each institution at least £10,000 and an additional amount based on weighted pupil numbers.

Weighted pupil numbers are the same as those used to calculate devolved formula capital allocations for the 2022 to 2023 financial year. The VA factor is only applied to VA schools. See <u>condition funding methodology for 2022 to 2023</u> (<a href="https://www.gov.uk/guidance/school-capital-funding#how-the-funding-is-calculated">https://www.gov.uk/guidance/school-capital-funding#how-the-funding-is-calculated</a>).

## Previous years' funding

See the <u>National Archives website</u> (<a href="https://webarchive.nationalarchives.gov.uk/ukgwa/\*/https://www.gov.uk/government/publications/capital-allocations">https://webarchive.nationalarchives.gov.uk/ukgwa/\*/https://www.gov.uk/government/publications/capital-allocations</a>) for SCA and DFC allocations for previous years.

The healthy pupils capital fund was a one-year fund for the 2018 to 2019 financial year only.

In the 2018 budget, the government announced an extra £400 million of capital funding for schools in England for the 2018 to 2019 financial year. See the <u>additional capital funding page on the National Archives</u> (<a href="https://webarchive.nationalarchives.gov.uk/20190304090343/https://www.gov.uk/government/publications/capital-allocations/capital-funding-for-2018-to-2019">https://www.gov.uk/government/publications/capital-allocations/capital-funding-for-2018-to-2019</a>) for more information.

In 2020, the Prime Minister announced an additional £560 million for repairs and upgrades to school buildings, on top of funding already allocated for the 2020 to 2021 financial year.

### Good estate management

We expect academy trusts and other bodies responsible for schools to manage their school estate strategically and maintain their estate in a safe working condition. This has also been set out in the Academy Trust Handbook 2021. Good estate management for schools (GEMS) (https://www.gov.uk/guidance/good-estate-management-for-schools) includes guidance on developing an estates strategy and asset management plan, and a self-assessment tool to identify estate management priorities. Managing asbestos guidance for schools (https://www.gov.uk/guidance/asbestos-management-in-schools) sets out further advice on asbestos.

Responsible bodies must ensure they secure value for money through appropriate procurement routes. For large projects, the school buildings <u>construction</u> <u>framework (https://www.gov.uk/government/publications/school-buildings-construction-framework/construction-framework-handbook)</u> is available for use and should be considered as part of project development planning.

### The Trust Network

The Trust Network is a group of academy trusts who are committed to good estate management, and support schools to build their capability and practise. They share best practice, exchange knowledge and, where needed, form a single voice to discuss issues or concerns with the Department for Education and other national agencies and help improve the resources available to support schools. You can join the network for free and find out more about their events through <a href="https://www.thetrustnetwork.org.uk/">The Trust Network website (https://www.thetrustnetwork.org.uk/)</a>.

The Trust Network is led by volunteers from a diverse range of MATs from across England and membership is open to all independently run, state-funded schools. More than 400 MATs and single-academy trusts are currently registered as members.

### Grants to local authorities

The condition funding grant determination (https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment data/file/1062803/Condition funding grant determination.pdf) (PDF, 98.7 KB, 3 pages) sets out the conditions of grant for payments to local authorities in the 2022 to 2023 financial year. The Secretary of State for Education makes grant determinations under section 31 of the Local Government Act 2003 (http://www.legislation.gov.uk/ukpga/2003/26).

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ESFA Update: 7 December 2022 (/government/publications/esfa-update-7-december-2022)

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