

Capital Funding Allocations

Key Messages

Forum members are asked to note:

- The Basic Needs, School Condition and High Needs Provision Capital allocations as per below.
- The School Rebuilding Programme and special free schools update

1. Basic Need Allocation

- 1.1. The Department for Education (DfE) has provided Basic Need allocations to create school places needed by September 2025 and a further allocation to create school places needed by September 2026. The Basic Need allocations are based principally on data collected from local authorities in the 2021 School Capacity Survey (SCAP). This survey collects information on the capacities of schools in each planning area of each local authority, as of May 2021, and local authorities' forecasts of pupil numbers for several years ahead. Basic Need funding is allocated based on a comparison of school capacity (not pupil admission numbers) against forecast mainstream pupil numbers from reception to year 11 uplifted to provide a 2 per cent operating margin. Where capacity is lower than forecasts, the DfE will fund the gap.
- 1.2. The allocations for the 2024-25 financial year are based upon the projected need for new places by September 2025 (the start of academic year 2025/26). The allocations for the 2025/26 financial year are based upon the projected need for new places by September 2026 (the start of academic year 2026/27).
- 1.3. The following table provides an overview of Basic Needs allocation:

Year	22/23 £'000	23/24 £'000	24/25 £'000	25/26 £'000	26/27 £'000	27/28 £'000
Allocation	0	9,693	125	26,089	510	323

2. School Condition Allocation

- 2.1. School Condition funding is for capital investment in maintaining and improving the condition of the school estate. The DfE's aim is for responsible bodies to receive a fair share of the available budget that takes account of their relative investment needs. The expectation is that allocations recognise the need for capital repair and replacement to keep buildings in good condition,

- 2.2. Local authorities receive a single formulaic allocation to invest in their maintained non-voluntary aided (VA) schools according to their own assessments of condition need. Multi-academy trusts and VA bodies with five or more schools and at least 3,000 pupils receive a single formulaic allocation to invest in their schools according to their own assessments of condition need. The DfE administers funding for single academy trusts, small multi-academy trusts, small VA bodies, and sixth form colleges through the Condition Improvement Fund.
- 2.3. The following table provides an overview of the latest School Condition Allocation:

Year	22/23	23/24	24/25	25/26
	£'000	£'000	£'000	£'000
Allocation	3,561	3,593	3,515	4,080

- 2.4. The DfE has agreed to refund the construction costs incurred to Sheffield as the result of replacing the reinforced autoclaved aerated concrete (RAAC) at Abbey Lane Primary in Autumn 2023. The amount to be refunded is £485,374.92. This will contribute further towards capital condition issues across Sheffield maintained Schools.
- 2.5. It is pertinent to mention that we have substantial maintenance backlog - estimated at over £100m spend needed to meet all building condition requirements, with over £45m of that total being considered a priority need. Whilst we have addressed many issues over recent years, the continuing deterioration of the school estate and the increased costs of programmed and unprogrammed works due to inflation and other economic factors means, that in reality, these numbers are barely reduced on outstanding maintenance.
- 2.6. Sheffield has 179 schools, of which **64** are maintained schools. The building condition capital programme is informed by a comprehensive condition survey programme that identifies building elements and then reports on the elements that require attention using a rating system where each element was ranked based on a condition, priority, and severity scoring system. Priority is given to works with a score of 64 or above. A new survey programme has been commissioned which will inform the next asset management plan and identify priority of works required across the school estate.
- 2.7. All capital projects complete a climate impact assessment, and where possible, net zero options are considered as part of a fully costed options appraisal.

3. School Rebuilding Programme

- 3.1. We submitted bids for ten maintained schools as part of the national School Rebuilding Programme and six schools were approved. Following the original announcement in December 2022, which confirmed the three schools that have been provisionally selected, the DfE has recently released the following phasing of various projects. These have been prioritised according to their condition:

- Brunswick Community School – Group 1 (Planning permission approved and start on site in October 2025).
- Pipworth Community Primary School Group 1 (started engagement / feasibility).
- Carfield Primary Group 2.
- Lowfield Community Primary Group 2 (started engagement / feasibility).
- Ballifield Primary Group 3.
- Lydgate Junior Group 3.

In addition, Windmill Hill Primary, part of Steel City Academy Trust, will also be re-built as part of the programme.

- 3.2. It should be noted that, although the programme is funded by the DfE, any costs that are considered “abnormal” are expected to be picked up by SCC capital funding which adds additional pressure to the allocation of school capital. These costs are unknown at the outset but at Brunswick Primary for instance this has involved payment to reroute a designated right of way; payment to demolish the existing caretaker property no longer required; and works to water and sewage runs which fall within the school boundary prior to works commencing. Each school on the programme will have its own issues to be addressed.

4. High Needs Capital Allocation

- 4.1 The Education Act 1996 sets out a statutory duty on local authorities (LAs) to secure sufficient school places, which they must do regarding securing special educational provision for children and young people with special educational needs and disabilities (SEND) as well as those requiring alternative provision (AP). The Children and Families Act 2014 also places important statutory responsibilities on LAs for supporting children and young people with SEND, including keeping the sufficiency of educational provision for them under review
- 4.2 High Needs Provision Capital Allocations (HNPCA) is paid to LAs to support the provision of places for children and young people with SEND and those pupils requiring AP. The department does not centrally hold comprehensive data on available high needs capacity or demand for new high needs provision. The allocation methodology is therefore intended to distribute the available funding fairly and efficiently between LAs.
- 4.3 The following table provides an overview of HNPCA for Sheffield.

Year	22/23 £'000	23/24 £'000	24/25 £'000	25/26 £'000
Allocation	10,830	6,805	1,538	4,646

5. Recommendations

Forum members are asked to **note** the:

- Basic Needs Capital allocation for 2026/27 to 2027/28.
- School Conditions allocation for 2024/25 and 2025/26 for maintained schools and the maintenance back log.
- School Rebuilding Programme timescales.
- High Needs Provision Capital allocations for 2024/25 2025/26.
- Other priority areas for high needs capital.