

## Appendix 6 - Summary of Funding Streams Available for the Development of School Sites

The principal source of capital funding for providing additional school places is the DfE Basic Need capital grant. The funding is allocated each year on a rolling basis, usually three years in advance. It is formula-based and does not reflect post-16 need or specific growth in numbers of pupils with high needs. For 2021/22 the funding allocated by the DfE is £2.4m. For 2022/23 the funding allocated by the DfE is £20k. The council will not receive any Basic Need funding in 2023-24; however, in 2024-25, the council is expected to receive a further £1.6m.

The council adopted its Community Infrastructure Levy (CIL) Charging Schedule from April 2015, increasing the rates in January 2020. This replaces s106 payments for the mitigation of the impact of new developments on school provision. CIL supports a range of infrastructure provision and is allocated alongside S106 through the Councils Capital Programme. The Council's Infrastructure Funding Statement sets out the Mayor's overall approach for investing CIL. 16% of CIL funding is allocated towards 'community, education and employment' which includes schools. £5m of CIL funding is expected to be available (£8m collected less £3m already allocated to projects). 25% of CIL funding (£12m) is also allocated toward the Local Infrastructure Fund (LIF) which must be spent in the neighbourhood area where it was collected and in consultation with local residents. A proportion of LIF funding could be put towards schools, depending on the location.

The Government has provided Tower Hamlets with additional capital funding for the creation of new school places and to improve existing facilities for children and young people with Special Educational Needs (SEN) and disabilities. In Tower Hamlets this funding amounts to £21.7m and was allocated over 6 years (2018-2024). This is made up of £6m Special Provision Capital Funding (SPCF) and £15.7m High Needs Provision Capital Allocation (HNPCA).

In addition to these funding streams that are specific to education, the council also has the option to use its reserves, capital receipts, and/or borrow to ensure that it can deliver on its strategic priorities and statutory duties. Following the closure of schools through earlier re-organisations the council is also in the position to add to its capital revenue through the disposal of sites that are considered surplus to requirements.

When the funding strategies for school projects are being developed, these funding sources are considered, and the funding allocated through the relevant governance and decision making arrangements. Funding has been allocated for the following school projects:

<b>Project</b>	<b>Estimated cost</b>
Arnhem Wharf	£3m. Condition & Improvement works to existing school. Project is subject to Department for Education (DfE) funding consideration as part of the central government's Priority Schools Building Programme.
Beatrice Tate Special School (48 to 60 expansion of existing school)	£4.05m. Works being developed for new accommodation to be available in Spring 2023.
Hermitage Primary	£3m. Works to provide ASD resource provision and additional accommodation.
St Saviour's Primary School expansion by 1FE. (Poplar catchment area)	£4.35m to provide an additional 30 places each year.
George Green's School (rebuild)	Costs to be confirmed following review of the delivery strategy/construction method and timetable. In the meantime the council will prompt the DfE to determine whether this scheme can be delivered and funded by central government under its Priority Schools Building Programme.
Mulberry London Dock (6FE secondary and sixth form) – full development of the school	£64.8m, with at least £47m coming from the DfE and £17.8m funded by S106 and CIL

**Further planned developments that will require council capital funding:**

London East Alternative Provision (new places for Key Stage 1 and 2)	£1.5m to be funded from DfE grant, subject to cabinet approval in the new year.
Oaklands School (expansion by 2FE providing 60 additional places per year)	Acquisition of the former Raine's School Lower site and adaptations to provide additional teaching and other accommodation.