

Appendix 5 - 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 £18k. It is not yet clear what funding will be allocated, if any, for 2023/24 and beyond.

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 LBTH 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 £8.6m and was allocated over 3 years (2018-2021). This is made up of £6m Special Provision Capital Funding (SPCF) and £2.6m 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 consider surplus to requirements.

When the funding strategies for new 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 to the following new school projects:

Project	Estimated cost
Wood Wharf (2FE primary) – fit out of shell and core provided by developer	£6,7m. New school due to open in September 2022.
Stepney Park Primary (amalgamation)	£1,2m Works to adapt Redlands and Smithy Street schools for amalgamation.

St Anne's and Guardian Angels Catholic Primary (0.5FE expansion for 15 places per year)	£1.3m. Expansion of St Anne's school following amalgamation with Guardian Angels.
St Saviour's Primary School expansion by 1FE. (Poplar catchment area)	£4m to expand to provide an additional 30 places per year.
Mulberry London Dock (6FE secondary and sixth form) – full development of the school	£52m. The DfE to contribute £47m towards the cost of the project.
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.
LEAP (additional places for Key Stage 4)	£2.5m. Works due to complete in summer 2022.
Total costs	£71.75m

Further proposals that will require funding:

Oaklands School (expansion by 2FE providing 60 additional places per year)	£16m. Acquisition of the former Raine's School Lower site and adaptations to provide additional teaching and other accommodation.
George Green's School (rebuild)	£51.4m. New Build
Hermitage Primary	£3m. Works to provide ASD provision and additional accommodation. Proposed new accommodation for September 2022.