

Appendix Five - Summary of Funding Streams for the Development of School Sites

(a) DfE Basic Need Capital Grant

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. The council will not receive any Basic Need funding in 2023-24; however, the council is expected to receive £1.6m in 2024-25, and a further £4.7m in 2025-24.

(b) DfE Special Provision Capital Funding and High Needs Provision Capital Allocation

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).

(c) Community Infrastructure Levy (CIL)

The council Community Infrastructure Levy (CIL) 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 Council's 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.

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:

Project	Estimated cost	Funding Stream
Beatrice Tate Special School (48 to 60 expansion of existing school)	£6.5m. Works being developed for new accommodation to be available in 2024/25.	£1.970m Special Provision Capital Allocation, £2.449m High Needs Provision

		Capital Allocation, £1.994m S106, and £0.086k Basic Need
Hermitage Primary	£3m. Works to provide SEN (ASD) resource provision in 2024/25.	£0.145k Special Provision Capital Allocation, and £2,854m High Needs Provision Capital Allocation
Mulberry London Dock (6FE secondary and sixth form)	£75m for the full development of new school and local infrastructure for September 2024.	£53.6m from the DfE (Free Schools) Capital Grant and £21.4m funded by Basic Need, CIL/S106.

Further SEND projects in development requiring funding

Bowden House	Purchase of new fleet to enable the transportation of students to the provision	£0.140k High Needs Provision Capital Allocation
Alice Model Nursery School, 14 Beaumont Grove, London. E1 4NQ.	Adapting a room in the nursery school to support children with sensory needs/ autism.	£0.030k High Needs Provision Capital Allocation
Columbia Market Nursery School, Columbia Road, London. E2 7PG.	Adapting a room in the nursery school to support children with sensory needs/ autism.	£0.030k High Needs Provision Capital Allocation
John Smith Children's Centre, 90 Stepney Way, London. E1 2EN.	Convert and refurbish childcare rooms to meet clinical specifications to deliver SALT sessions for young children and their parents.	£0.030k High Needs Provision Capital Allocation
The Soanes Centre, Setpoint London East, Southern Grove, Mile End, London. E3 4PX	This project will upgrade the hygiene and toileting facilities so that children with complex needs will be able to benefit from the learning at the site.	£0.030k High Needs Provision Capital Allocation