



Department
for Education

Condition methodology and spend guidance

March 2024

Contents

Summary	4
Who this publication is for	4
Introduction	5
Purpose of grants	5
Changes to the allocation methodology for financial year 2024–25	6
Funding for responsible bodies and institutions	7
Who funding is for	7
Eligibility timing	7
Devolved Formula Capital (DFC)	7
School Condition Allocations (SCA)	8
Eligibility for directly paid SCA	8
The Condition Improvement Fund (CIF)	8
Newly opened and closed institutions	9
Guidance on spend	10
Grant conditions, assurance and carry-over of funding	10
Schools in the School Rebuilding programme (SRP)	11
Guidance on good estate management	11
Payment details by type of Responsible Body	13
Table 1: Payment Details for Local authorities (LAs)	13
Table 2: Payment details for academy trusts	14
Table 3: Payment details for non-maintained special schools	15
Table 5: Payment details for special post-16 institutions	16
Table 6: Payment details for sixth-form colleges	16
Table 7: Payment details for voluntary aided (VA) bodies	17
School Condition Allocations methodology	18
How we count pupils - unweighted pupil numbers	18
Weighted pupil numbers	19
The SCA Formula	19
SCA condition band factors	19
Location factors	20

VA factor	21
PFI factor	21
Totals for each responsible body	21
Transition protections	21
The Condition Improvement Fund	22
Academy conversions	22
March publication	22
Devolved Formula Capital methodology	22
Annex – frequently asked questions	24

Summary

This publication provides non-statutory guidance from the Department for Education. It has been produced to help schools and responsible bodies understand the purpose of condition funding, to explain the methodology for how allocations have been calculated and to provide guidance on spend.

Who this publication is for

This guidance is for those responsible for the spend and oversight of condition funding within schools and responsible bodies, including:

- Local authorities
- Academy trusts
- Voluntary aided groups
- Non-maintained special schools
- Special post-16 institutions

Introduction

School condition funding is for capital investment in maintaining and improving the condition of the school estate and includes:

- Direct allocations to eligible bodies responsible for managing capital funding¹ through formulaic **School Condition Allocations (SCA)**;
- Access to funding for those academies and voluntary aided (VA) bodies not eligible for School Condition Allocations, and for sixth-form colleges, via the **Condition Improvement Fund (CIF)**, into which they can bid; and
- Allocations for individual institutions through **Devolved Formula Capital (DFC)** to spend on capital projects that meet their own priorities.

All condition funding is calculated and paid in financial years (01 April – 31 March). This document explains the methodology for the financial year 2024–25 and provides guidance on the allocations.

Individual allocations are published at <https://www.gov.uk/guidance/school-capital-funding>.

Purpose of grants

These grants are intended to be used to improve the condition of school buildings. 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

These allocations **must** be used for capital expenditure.

¹ Bodies that are responsible for prioritising, distributing and assuring the use of School Condition Allocations are referred to as “responsible bodies”. The same body may not have legal or contractual responsibility for carrying out works or for health and safety in all cases.

Changes to the allocation methodology for financial year 2024–25

The aim of the condition funding system is that responsible bodies receive a fair share of the available budget that takes account of their relative investment needs. Our approach to the allocations recognises the need for capital investment to keep buildings in good condition. In 2021-22, we introduced a revised condition funding system, using new data from the Condition Data Collection and more up-to-date pupil numbers. This new system more accurately reflected condition need and was simpler and easier to understand. We have continued to use this broad methodology in 2024-25, with some small changes.

SCA calculations for schools with School Rebuilding Programme projects

The School Rebuilding Programme (SRP) is transforming hundreds of schools across the country, delivering new or significantly refurbished buildings that are designed to be net-zero in operation. Many of these schools had the highest need according to the Condition Data Collection (CDC), which is used as the basis for the condition bands in the SCA formula. To reflect the fact that work delivered through SRP will have addressed condition issues in blocks covered by the projects, we will adjust the calculation of the overall condition band for the schools to reflect the improved condition in those parts of the schools. For financial year 2024-25, this will only apply to schools where an SRP project has already handed over or is forecast to handover by 30 September 2024. Whilst these schools will still attract SCA for their responsible body, in most cases they will move to a lower condition band.

Transition Protections

To support the introduction of the new methodology in 2021-22, we implemented transition protections, which meant that in 2021-22 responsible bodies eligible for SCA received at least as much as they did in 2020-21. However, these protections also meant that funding was being directed to some responsible bodies based on old data and previous levels of funding. That is why from the 2022-23 allocation round we started to reduce the level of protection offered.

For the 2024-25 allocation round we are continuing to move all responsible bodies towards the full funding methodology. For the 2024-25 allocation round, responsible bodies that received protections in 2023-24 will receive no less than 25% of the allocation they received in 2020-21. We intend to remove any remaining protections in 2025-26. The exact methodology for calculating SCA in future years is yet to be confirmed, however, and we keep our approach under review.

Funding for responsible bodies and institutions

Every institution eligible for an allocation has a responsible body, which is the body responsible for prioritising, distributing, and assuring the use of condition funding. They are local authorities, multi-academy trusts and other specialist providers for state-funded pupils. We calculate allocations for voluntary aided schools using groupings that have been agreed with the voluntary aided (VA) sector (commonly a diocese or group of dioceses). A small number of VA schools are not part of a VA SCA group, but are instead eligible for CIF.

Who funding is for

- We allocate Devolved Formula Capital (DFC) to eligible individual institutions – maintained schools, academies, sixth form colleges, non-maintained special schools (NMSSs), and eligible special post-16 institutions (SPIs).

In addition, these institutions are either part of a responsible body eligible for School Condition Allocations (SCA), or can bid to the Condition Improvement Fund (CIF):

- Larger multi-academy trusts and VA bodies, plus all local authorities, and eligible NMSSs and SPIs, receive direct SCA payments.
- Smaller academy trusts and VA bodies, and sixth-form colleges, can bid to CIF.

Eligibility timing

In any given financial year (April – March), an eligible school will either attract direct SCA for its responsible body, or be eligible for CIF, but not both. Eligibility for either direct SCA or CIF is determined in the preceding autumn term (in this case, autumn 2023). This is to ensure that those eligible for CIF have time to prepare bids.

Devolved Formula Capital (DFC)

We will calculate Devolved Formula Capital using the same methodology as in previous years. Every eligible school gets a fixed sum, and a variable amount based on pupil numbers. Pupil numbers come from the 2023 spring school census, or the 2022 to 2023 ILR for post-16 institutions.

Local authorities (LAs) receive the DFC payments for their maintained schools and the LAs are required to pass on these allocations to the schools. Academy trusts, VA bodies, and other institutions receive their DFC from the DfE. Local authorities may receive a DFC payment for maintained schools that have recently converted to academies; they are required to pass this on to schools in the usual way, regardless of conversion status.

School Condition Allocations (SCA)

Directly paid SCA is for responsible bodies to prioritise on condition need across their institutions; the terms and conditions issued to responsible bodies give more detail on the types of project allocations can be used for.

We update allocations annually to reflect new or closing schools, and where a school has moved to a new SCA responsible body. Allocations to local authorities also include a small amount of funding for Sure Start centres.

Eligibility for directly paid SCA

Local authorities, non-maintained special schools, and eligible special post-16 institutions² are automatically eligible for direct SCA, subject to any terms and conditions. Academy trusts and VA bodies must have met both eligibility criteria below:

- the body had 5 or more open schools at the start of September 2023, and
- those open schools (or their predecessor schools) had at least 3,000 pupils counted in the spring 2023 census and/or the 2022 to 2023 ILR.

For special and alternative-provision schools (including pupil referral units), we multiply the pupil count by 4.5 for determining SCA eligibility. For example, we count a MAT with 1,000 pupils in special schools as having 4,500 pupils. This is because these schools tend to have lower pupil numbers for their size and more complex facilities. We are recognising that in their eligibility for SCA. See 'how we count pupils' section below for further details.

In autumn 2023, we notified academy trusts and VA school bodies that are eligible for SCA in the financial year 2024 to 2025. Eligibility should not be assumed unless it has been confirmed.

The Condition Improvement Fund (CIF)

Single and small academy trusts, CIF-eligible VA bodies³, and sixth-form colleges do not receive directly-paid SCA, but are instead able to apply for CIF funding. CIF allocates funding to specific projects for successful bidders. We informed institutions

² Those which receive ESFA revenue funding

³ Any dioceses below the SCA size threshold, and non-diocesan VA schools (if they are not part of collaborative VA SCA groupings), are eligible for CIF.

of their eligibility to apply to CIF in autumn 2023, and applications for the 2024-25 financial year closed in December 2023. We expect to announce outcomes in spring 2024.

To determine the size of the total CIF fund, we calculate a school level allocation for eligible institutions, using the same formula as SCA to maintain parity, and then aggregate it to form the Condition Improvement Fund. The size of the fund for the programme therefore reflects the need of the institutions eligible to bid.

Schools with an academy order and a matched trust at the start of September 2023 that we expected to convert into a CIF-eligible trust by 1 April 2024 were also invited to apply for CIF, and their responsible body as of the start of September 2023 was also notified. If any of these schools remains within an SCA responsible body or transfers to an SCA responsible body after being invited to apply to CIF, we will not normally change its eligibility for that year, to avoid schools wasting time on CIF bids that are then not considered. In these cases, where a school has made a CIF bid that is successful, but has remained with an SCA responsible body, the funding will be given to its existing responsible body.

Newly opened and closed institutions

In order to be eligible for SCA, CIF and DFC, institutions must appear on the spring 2023 census and/or the 2022 to 2023 Individualised Learner Record (ILR), and still be open (or have a successor still open) at the start of April 2024.

Institutions that close with no successor *after* the start of April 2024 will attract SCA for the final time in financial year 2024–25. However, to receive DFC, institutions must still be open at the point of payment. This is because DFC is an institution-level allocation, and is not intended for pooling across a responsible body.

Guidance on spend

Decisions on how money is spent are for different institutions or bodies, depending on the type of funding involved:

- With CIF, funding must be spent on the project detailed in the approved bid.
- With SCA, it depends on the type of institution:
 - Community, foundation, and voluntary controlled schools – the local authority
 - VA school – the relevant VA body
 - SCA eligible MATs – the MAT
 - NMSSs and SPIs – the proprietor

In all cases, the intention of the funding is for the improvement of the condition of school buildings and grounds, prioritising safety and keeping buildings operational.

- With DFC, all schools can decide individually how to use the capital funding, although DFC may also be pooled by a responsible body with agreement of the individual schools. DFC is capital funding intended for schools to address their own priorities, such as improvements to buildings and other facilities, including ICT, capital repairs/refurbishment and minor works or contributing to a larger capital project to improve condition.

Grant conditions, assurance and carry-over of funding

SCA-eligible MATs and VA bodies, non-maintained special schools (NMSSs) and special post-16 institutions (SPIs) receiving SCA must sign and return the SCA Terms and Conditions they have been sent before we will pay funding. This includes a requirement to comply with assurance activity set out by the Department.

The Terms and Conditions document for these groups also sets where it is permissible to carry forward SCA beyond the financial year (Apr-Mar) in which it has been allocated. Permission to exceed these limits **must** be sought directly from the Department via capital.allocations@education.gov.uk. The Department reserves the right to claw back funding that has not been spent by the funding deadline.

The condition funding grant determination sets out the conditions of grant for payments to local authorities in the 2024 to 2025 financial year. The Secretary of State for Education makes grant determinations under section 31 of the [Local Government Act 2003](#).

Further details of assurance activity and carry forward rules for SCA are set out below in the 'Payment details by type of responsible body' section.

There is no requirement to sign terms and conditions for DFC. Unless notified otherwise, in writing, we will assume that grant recipients accept and will comply with

the conditions of grant for DFC (see tables below). We do not require schools or responsible bodies to provide separate spending information on DFC to ESFA. For academies, DFC spending will form part of academies' annual audited accounts, and the Academies Accounts Direction sets out how academies should account for government grants.

Schools in the School Rebuilding programme (SRP)

Where a school has been announced for inclusion in SRP, responsible bodies remain responsible for ensuring their buildings are safe and operational and should continue to effectively manage their school estates.

If a school you are responsible for has already been selected for the School Rebuilding Programme, but a project has not started, you should consider any investment in buildings due to be replaced or refurbished carefully to minimise nugatory spend, but should also ensure buildings remain safe and operational at all times.

If planning work, you should also speak to your SRP contact about any proposed works on buildings due to be replaced. If SRP works are underway, access to the school site by contractors may need to be co-ordinated by the SRP lead to avoid any health and safety issues arising. If you don't yet have an SRP contact, please email school.rebuilding@education.gov.uk to discuss.

Guidance on good estate management

The Department has published [guidance on good estate management](#), which sets out the policies, processes and documents that schools, academy trusts and other responsible bodies should consider when managing their estates effectively. You should review the [fundamentals of good estate management](#) and use the [self-assessment tool](#) provided to assess your organisation's approach.

To manage the estate strategically, you should:

- Develop and agree with its Board an estate vision, strategy and asset management plan;
- Have clear, documented roles and responsibilities, processes and procedures covering: governance, budget and finance, performance management and other data related to the estate, procurement and delivery of projects, and emergency planning;
- Develop policies and procedures that ensure buildings support the provision of a safe environment for children and staff, and comply with all relevant

regulations, including, but not limited to, those related to health and safety, fire safety and the control and management of asbestos;

- Understand the estate and maintain it through a prioritised programme of maintenance and building works informed by up to date condition surveys;
- Ensure a robust and value for money approach to prioritising, planning, procuring and delivering and monitoring projects.

Further advice is available on managing asbestos here:

<https://www.gov.uk/guidance/asbestos-management-in-schools>.

We provide a list of quality-checked, approved buying frameworks that can help responsible bodies get value for money and comply with buying procedures and procurement law. The *Find a Framework* tool along with buying guidance can be found here: <https://www.gov.uk/guidance/buying-for-schools>.

We strongly encourage MATs, in developing their capital plans, to refer to the sustainability and design standards within Annex 2J of the updated School Output Specification 2023 (OS) for guidance. This can be found here: [Technical Annex 2J: Sustainability \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

Payment details by type of Responsible Body

Table 1: Payment Details for Local authorities (LAs)

Grant	Paid under	Expected payments ⁴	Purpose	Time limit	Assurance activity
School Condition Allocations	Local Government Act 2003, section 31	9 equal instalments May to January	Investment should be prioritised on keeping school buildings safe and in good working order by tackling poor building condition, building compliance, energy efficiency, and health and safety issues.	In line with general local government arrangements	As part of the annual capital grant monitoring exercise the S151 will need to confirm the funding has been used for capital purposes.
Devolved Formula Capital	Education Act 2002, section 14	Single payment in June	Funding for individual institutions to maintain their buildings and fund small capital projects, or can be pooled across the LA with the schools' agreement.	3 financial years with year one being the year payment is made	The local authority will need to report expenditure as part of DfE's annual capital grant monitoring exercise.

A condition funding grant determination sets out the conditions of grant for payments to local authorities in the 2024 to 2025 financial year. The Secretary of State for Education makes grant determinations under section 31 of the [Local Government Act 2003](#).

⁴ Payment dates may be subject to change.

Table 2: Payment details for academy trusts

Grant	Paid under	Expected payments	Purpose	Time limit	Assurance activity
School Condition Allocations	Education Act 2002, section 14	4 equal instalments May to August	Investment must be prioritised on keeping school buildings safe and in good working order by tackling poor building condition, building compliance, energy efficiency, and health and safety issues.	A MAT may carry over up to an amount equivalent to 100% of its 2024-25 allocation into 2025-26.	Consult terms and conditions.
Devolved Formula Capital	Education Act 2002, section 14	Single payment in June	Funding for individual institutions to maintain their buildings and fund small-scale capital projects, or can be pooled across academies with the academies' agreement.	3 financial years with year one being the year payment is made	The Academies Accounts Direction sets out how academies should account for government grants. We do not require academies to provide separate spending information on DFC to ESFA.

Table 3: Payment details for non-maintained special schools

Grant	Paid under	Expected payments	Purpose	Time limit	Assurance activity
School Condition Allocations	Education Act 2002, section 14	Single payment in May	Investment should be prioritised on keeping school buildings safe and in good working order by tackling poor building condition, building compliance, energy efficiency, and health and safety issues.	31 March of the FY the grant is paid	Consult terms and conditions.
Devolved Formula Capital	Education Act 2002, section 14	Single payment in June	Funding for individual institutions to maintain their buildings and fund small-scale capital projects.	3 financial years with year one being the year payment is made	Recipients of grant are expected to comply with any requests from the DfE requesting spend information for the grant.

Table 5: Payment details for special post-16 institutions

Grant	Paid under	Expected payments	Purpose	Time limit	Assurance activity
School Condition Allocations	Education Act 2002, section 14	Single payment in May	Investment should be prioritised on keeping school buildings safe and in good working order by tackling poor building condition, building compliance, energy efficiency, and health and safety issues.	31 March of the FY the grant is paid	Consult terms and conditions.
Devolved Formula Capital	Education Act 2002, section 14	Single payment in June	Funding for individual institutions to maintain their buildings and fund small-scale capital projects.	3 financial years with year one being the year payment is made	Recipients of grant are expected to comply with any requests from the DfE requesting spend information for the grant.

Table 6: Payment details for sixth-form colleges

Grant	Paid under	Expected payments	Purpose	Time limit	Assurance activity
Devolved Formula Capital	Education Act 2002, section 14	Single payment in June	Devolved formula capital (DFC) is direct funding for individual institutions to maintain their buildings and fund small-scale capital projects.	3 financial years with year one being the year payment is made	Recipients of grant are expected to comply with any requests from the DfE requesting spend information for the grant.

Table 7: Payment details for voluntary aided (VA) bodies⁵

Grant	Paid under	Expected payments	Purpose	Time limit	Assurance activity
School Condition Allocations	School Standards and Framework Act 1998, schedule 3	4 equal instalments May to August	Investment must be prioritised on keeping school buildings safe and in good working order by tackling poor building condition, building compliance, energy efficiency, and health and safety issues.	A VA group may carry over up to an amount equivalent to 100% of its 2024-25 allocation into 2025-26.	Consult terms and conditions.
Devolved Formula Capital	School Standards and Framework Act 1998, schedule 3	Single payment in June	Funding for individual institutions to maintain their buildings and fund small-scale capital projects, or can be pooled across schools with the schools' agreement.	3 financial years with year one being the year payment is made	Recipients of grant are expected to comply with any requests from the DfE requesting spend information for the grant.

⁵ Where the body is anything other than the school's governing body, they are acting on the governing body's behalf.

School Condition Allocations methodology

How we count pupils - unweighted pupil numbers

We use the spring 2023 census and/or the 2022 to 2023 ILR both for funding and for eligibility purposes. This means that we use the same pupil numbers throughout, in both SCA and DFC.

- For **funding**, we count all pupils that are sole, dual-main, or dual-subsidary 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 PRU would have their count divided by 2 at both institutions. This splits funding between the institutions that pupils attend. Pupil numbers are weighted by pupil phase (see Table 2 below).
- For **eligibility**, we also count all pupils that are sole, dual-main, or dual-subsidary enrolled, as we do for funding. We do not weight pupil numbers by phase, but we do multiply the pupil count for pupils in special and alternative-provision schools (including pupil referral units) by 4.5. For example, we would count a MAT with 1,000 pupils in special schools as having 4,500 pupils. This is because these schools tend to have lower pupil numbers for their size and more complex facilities.

The table below shows the data sources that we use, and how we use them:

Table 8: How unweighted pupil numbers are counted

Pupil phase	Data source	Measure used
Early Years	School census	FTEs of entitlement hours plus extended funded entitlement hours, calculated as PTEs x 0.6
Primary, Secondary (including secondary sixth forms), special schools, PRUs and AP, NMSSs, hospital schools	School census	Headcount of pupils, with funding split in cases of dual registration (see above)
Sixth-form colleges, post-16 Free Schools, post-16 PRUs and AP, Academy post-16 colleges	ILR A & C	Total planned hours divided by 600
Special post-16 providers	ILR B	FTEs
Boarders	School census	FTEs (for Early Years) or headcount , as above (for others)

Weighted pupil numbers

Weighted pupil numbers underpin funding calculations for both Devolved Formula Capital and the School Condition Allocations. We weight the numbers to reflect the different levels of floor area per pupil in different settings.

Table 9: phase-related weightings

Pupil phase	Phase-related weighting
Nursery / Primary	1.0
Secondary	1.5
Post-16	2.0
Special / PRU / AP / boarders	4.5

The SCA Formula

In addition to the phase weighted pupil numbers, SCA includes factors for CDC condition band, location, VA status, and PFI status. For the 2024-25 allocation round we use an unadjusted per pupil funding rate of £148.50. This means that the total contribution of each school to its responsible body's SCA is as follows:

$$\text{£148.50} \times \text{weighted pupils} \times \text{SCA band} \times \text{location factor} \times \text{VA factor} \times \text{PFI factor}$$

SCA condition band factors

The CDC dataset brings together condition data covering almost all⁶ schools in the English school estate. The programme collected data between 2017 and 2019, with schools having the opportunity to review their information before the data was finalised. A full explanation of how CDC data was collected can be found at [Condition Data Collection information and guidance](#). The CDC2 programme is underway, and will collect updated information on the school estate.

We have calculated relative condition need in each school using the sum of the condition need graded B, C or D as identified in CDC data, divided by the gross internal floor area, to give relative condition need per square metre for each school. Schools have been placed in funding bands according to their relative condition need. A school in relatively

⁶ SPIs and a very small number of other institutions were not visited, for example when undergoing construction work. In these cases, no adjustment applies (band G).

poor condition will attract a higher funding rate than one in average condition. A school in relatively good condition will attract a lower funding rate. Schools in average condition are in band G.

As SCA is intended to be used for significant capital works in relation to all parts of a responsible body's school estate, we take the condition of all elements of a building and of external areas of the site into account when calculating need.

Table 10: SCA condition bands and the funding factors associated with them

SCA condition band	Funding factor	SCA condition band	Funding factor
A	x 0.4	N	x 1.7
B	x 0.5	O	x 1.8
C	x 0.6	P	x 1.9
D	x 0.7	Q	x 2.0
E	x 0.8	R	x 2.2
F	x 0.9	S	x 2.4
G (average condition)	x 1.0 (no adjustment)	T	x 2.6
H	x 1.1	U	x 2.8
I	x 1.2	V	x 3.0
J	x 1.3	W	x 3.5
K	x 1.4	X	x 4.0
L	x 1.5	Y	x 5.0
M	x 1.6		

To reflect the fact that School Rebuilding Programme projects will have addressed condition issues in blocks in schools covered by the projects, we will adjust the calculation of the overall condition band for the schools to reflect the improved condition in some or all of the blocks as a result of the SRP project. To achieve this, we will assume there is zero need remaining in blocks covered by the projects, and will then take account of need in blocks not covered by the projects. For financial year 2024-25, this will only apply to schools where an SRP project has already handed over, or is forecast to handover by 30 September 2024.

Location factors

We apply location factors, produced by Building Cost Information Service, to reflect the different cost levels around the country.

VA factor

VA governing bodies are legally responsible for their own capital works (apart from on playing fields). The Secretary of State may assist, but by law can contribute no more than 90% of costs (apart from in exceptional circumstances), so we deduct 10% from VA allocations. These schools also do not have access to a VAT refund scheme, so we have increased their allocations to reflect this. The net impact is a VA factor of x1.08, which increases their SCA (and DFC) by 8%⁷.

PFI factor

We apply a PFI factor of x0.5 to schools with PFI status. Schools with PFI status are those in respect of which the department is currently paying PFI credits to a LA. This is to reflect the fact that significant capital maintenance costs are covered by the PFI arrangement.

When a PFI contract ends, we will cease to apply the PFI factor to a school going forward. Where the arrangement ends part-way through a financial year, we will apply a multiplier of $0.5 + (0.5 \times \frac{\text{number of months into the year}}{12})$.

Totals for each responsible body

We calculate the total SCA for each responsible body simply by adding up the final SCA attracted by each of its schools. Once we have calculated responsible body totals, we distribute the total Sure Start budget among LAs in proportion with their SCA totals.

Transition protections

In 2021-22, we introduced transition protections to support the move to the new methodology, which ensured that no responsible body eligible for SCA in 2021–22 received less SCA than in 2020–21. If the calculated amount of funding was less, then a transition protection made up the difference. This protection applied to the standard SCA published in spring 2020, not the one-off additional SCA published in summer 2020.

Our aim for condition funding is that the available budget is distributed in a fair way, based on the relative investment needs of responsible bodies. We therefore want the amount received by a responsible body to be determined by the condition need of their schools and calculated on a consistent basis, instead of linked to previous allocation rounds. From 2022-23, we began the process of moving all responsible bodies eligible for SCA to the full funding methodology. This will continue for 2024-25.

⁷ Calculated as $90\% \times 120\% = 1.08$

This means that, where a responsible body received protections in 2023-24, if the calculated amount for 2024-25 is less than 25% of the amount it received in 2020-21, it will receive a protection to make up the difference. If its calculated SCA is higher than 25% of the amount it received in 2020-21, it will receive its calculated SCA.

We expect that from 2025-26 these protections will then no longer apply. The exact methodology for calculating SCA in future years is yet to be confirmed, however, and we will keep this approach under review.

The Condition Improvement Fund

We retain the combined calculated funding allocations for all CIF-eligible institutions to form the CIF budget.

Academy conversions

Final SCA calculations will reflect the eligible schools in each responsible body at the start of April 2024. The only exception to this is for schools that were eligible to bid into CIF. We notified schools of their CIF eligibility for FY 2024–25 in October 2023. Once a school is CIF eligible, we will not normally change its eligibility for that financial year; this is to avoid schools working on CIF bids that are then not considered. If a school has converted into a CIF-eligible trust but was not invited to bid to CIF, the funding that it attracts will instead be allocated to its previous responsible body.

There will be some schools that will convert to academy status after the start of April 2024. LAs and VA bodies should treat schools considering conversion fairly, including by investing in high-priority condition issues and honouring any commitments of capital funding that they have made. On conversion, at a minimum, schools should be in a safe condition with no health and safety or regulatory compliance issues.

March publication

For the 2024-25 financial year, we have published provisional allocations in March based on data taken from January 2024. This has allowed us to provide advance notice of allocations to responsible bodies to provide additional time to plan how to spend their allocations. Final allocations will be based on the eligible schools in each responsible body at the start of April 2024. Later in the spring we will update the allocations file on gov.uk to reflect any school movements between January and April (for example, school closures, academisations and mergers).

Devolved Formula Capital methodology

Devolved Formula Capital (DFC) is direct funding for individual institutions to maintain their buildings and fund other small-scale capital projects. Each institution gets a fixed sum of

£4,000 and a variable amount based on their weighted pupil numbers (see below). DFC also includes a factor for VA status. The DFC base rate for 2024-25 has been kept at £11.25 and the DFC for each school calculated as follows:

$$(\mathbf{£4,000 + £11.25 \times \text{weighted pupils}}) \times \mathbf{VA \text{ factor}}$$

For example, a school with 50 primary pupils and 500 secondary pupils would be treated as having $(50 \times 1) + (500 \times 1.5) = 800$ weighted pupils. The school would receive $800 \times £11.25 = £9,000$, in addition to the per-school sum of £4,000, to give a total allocation of £13,000. If the school were a VA school, we would then apply the VA factor of $\times 1.08$ to give a total of £14,040.

Annex – frequently asked questions

My school has moved between responsible bodies mid-year – will this change the allocation?

No. Once the final allocations are published, we will not generally make further changes for that year unless we have made an error. Initial notification of SCA allocation is provisional; final SCA will reflect the schools in a responsible body at the start of April 2024. The only exception to this is schools that were eligible to bid into the Condition Improvement Fund (CIF). We notified schools of their eligibility for CIF for the FY 2024-25 in October 2023. Once a school is CIF eligible, we will not normally change its eligibility for that financial year; this is to avoid schools working on CIF bids that are then not considered. If a school has converted into a CIF-eligible trust but was not invited to bid to CIF, the funding that it attracts will instead be allocated to its previous responsible body.

A school academised in the middle of the financial year, will we receive SCA for it?

Final SCA for 2024-25 will reflect the eligible schools in a responsible body at the start of April 2024. The only exception to this is schools that were eligible to bid into the Condition Improvement Fund (CIF). We notified schools of their eligibility for FY 2024-25 CIF in October 2023. Once a school is CIF eligible, we will not normally change its eligibility for that financial year; this is to avoid schools working on CIF bids that are then not considered. If a school has converted into a CIF-eligible trust but was not invited to bid to CIF, the funding that it attracts will instead be allocated to its previous responsible body.

We do not adjust allocations after the final allocations have been published to reflect schools that have academised or moved between responsible bodies. Any schools that join a responsible body after the start of April 2024 will not be captured within the responsible body's SCA calculation for the 2024-25 financial year.

Can we opt out of SCA and apply to CIF?

No. Enrolment in SCA is based on a size threshold and is automatic.

Our school has converted to become an academy– why has the DFC gone to the LA?

Since DFC is a school-level allocation, DFC payments are made using the latest payment details we have on record for each institution. Sometimes payment details can't be updated in time, but LAs should pass DFC on to schools regardless of conversion status.

Can LAs vary the formula for each school's DFC allocation (e.g. to take account of cash balances)?

No. LAs should distribute DFC to their schools in accordance with the published allocations, as DFC is intended as a school-level allocation.

How should DFC be handled for schools that convert to academies during the financial year?

The LA should pass on the DFC payments in the normal way, regardless of conversion status. Payments will then be made directly to the academy from the following financial year.

Are LAs and VA bodies expected to pay for academies' capital maintenance?

Academy trusts are funded separately for their maintenance needs, but local authorities and VA bodies are expected to treat fairly those schools considering conversion and to honour any commitments of capital funding that they have made, in respect of capital projects at those schools. In all academy conversions, responsible bodies are, at a minimum, expected to hand over schools in a safe condition, with no urgent health and safety needs.



Department
for Education

© Crown copyright 2024

This publication is licensed under the terms of the Open Government Licence v3.0, except where otherwise stated. To view this licence, visit nationalarchives.gov.uk/doc/open-government-licence/version/3.

Where we have identified any third-party copyright information, you will need to obtain permission from the copyright holders concerned.

About this publication:

enquiries <https://www.gov.uk/contact-dfe>

download www.gov.uk/government/publications

Follow us on Twitter: [@educationgovuk](https://twitter.com/educationgovuk)

Connect with us on Facebook: facebook.com/educationgovuk