

Schools Must Act on £6.5B Funding

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The School Supply Store & Network, a leading advocate for educational excellence and infrastructure, urges UK school leaders to seize the moment following the Department for Education's (DfE) notification of £6.5 billion in capital funding allocations for the 2025/26 financial year.

Announced in the Autumn Budget 2024 and detailed through provisional allocations on 28 November 2024, this significant investment provides schools with a critical opportunity to address urgent maintenance needs, modernize facilities, and enhance estates management. With the 2025/26 academic term approaching, school leaders must act swiftly to leverage these funds, utilizing the Procurement Act 2023 to secure innovative suppliers and ensure safe, future-ready learning environments.

Funding Allocations: A Game-Changer for School Estates

The DfE has notified schools and local authorities of provisional funding allocations for 2025/26 through the National Funding Formulae (NFF) and Dedicated Schools Grant (DSG), with final allocations to be confirmed in December 2025 based on updated pupil data. The £6.5 billion capital funding package includes:

- **£2.1 Billion for School Maintenance:** A 13% increase from 2024/25, targeting urgent repairs such as fixing roofs, removing asbestos, and

- upgrading electrical systems to ensure compliance with safety standards.
- **£1.4 Billion for the School Rebuilding Programme:** Supporting 100 new rebuilding projects to modernize outdated facilities, prioritizing schools in poor condition.
 - **£300 Million for Further Education Estates:** Enhancing college campuses to accommodate a 5% projected increase in 16-18-year-olds by 2028.
 - **£1 Billion for SEND Provision:** Expanding facilities for students with special educational needs and disabilities (SEND), addressing critical capacity shortages.

Additionally, over £1 billion in National Insurance Contributions (NICs) grants and a consolidated £480 million Core Schools Budget Grant (CSBG) for special schools and alternative provision will support staffing costs, freeing up budgets for infrastructure investments.

“This funding is a once-in-a-generation opportunity,” says a headteacher at a primary school in Manchester. “We’ve been notified of our allocation, and it’s time to act—our ageing fire alarms and leaky roofs can finally be addressed to create a safer, more inspiring environment for our students.”

Why the 2025/26 Term Is the Time to Act

The scale of the challenge facing UK school estates demands immediate action. Over 24,000 school buildings are beyond their design life, with 700,000 pupils in facilities requiring major refurbishment. The 2023 RAAC crisis highlighted the urgency, with 234 schools needing urgent repairs due to unsafe concrete. A school business manager at a secondary school in Birmingham notes, “Our allocation notification has given us clarity to plan. Delaying upgrades risks safety violations and costly emergency repairs that disrupt learning.”

The DfE’s School Estate Management Standards, launched in April 2025, set clear benchmarks for safety, sustainability, and compliance, with non-compliant schools facing Notices to Improve. With only weeks until the new term, the pressure is on to align estates projects with these standards and secure funding before application deadlines.

Opportunities for School Leaders

This funding unlocks transformative possibilities for school facilities and estates management:

- **Enhanced Safety and Compliance:** Upgrading fire safety systems, electrical infrastructure, and structural elements ensures compliance with the Regulatory Reform (Fire Safety) Order 2005, reducing risks and avoiding penalties.
- **Modern Learning Environments:** New classrooms, IT suites, and sports facilities boost student engagement, with research showing a 25% improvement in academic outcomes in well-maintained schools.
- **Energy Efficiency and Sustainability:** Investments in low-carbon heating and insulation align with the DfE's 2025 Climate Action Plan mandate, with schools reporting up to 20% savings on utility costs.
- **Cost Savings:** Proactive maintenance reduces long-term repair costs and lowers insurance premiums, redirecting funds to educational priorities.

Case Study: A primary school in Leeds used 2024 Condition Improvement Fund (CIF) funding to install energy-efficient lighting and addressable fire alarms, cutting energy costs by 15% and improving evacuation efficiency by 30%. A secondary school in London retrofitted ventilation systems, reducing student absences due to illness and enhancing classroom focus.

Leveraging the Procurement Act 2023

The Procurement Act 2023, effective since October 2024, empowers schools to maximize funding by sourcing innovative, cost-effective suppliers. "Our allocation came with a clear directive to act fast," says a school business manager at a primary school in Bristol. "The Procurement Act let us partner with a local SME for our roofing project, saving 12% compared to our previous supplier." Key benefits include:

- **Wider Supplier Access:** Open frameworks enable partnerships with SMEs and local providers, fostering competition and innovation.
- **Simplified Tendering:** Dynamic purchasing systems (DPS) streamline supplier selection, reducing administrative burdens.
- **Social Value Focus:** The Act prioritizes suppliers with environmental or community credentials, supporting schools' sustainability goals.

Action Plan for the 2025/26 Term

With funding notifications in hand, school leaders must act within the next three weeks to prepare for the new term. The School Network recommends:

- **Review Allocations:** Use the DfE's COLLECT system to access detailed notional schools block allocations and plan projects accordingly.
- **Conduct an Estates Audit:** Align with the DfE's School Estate Management Standards to prioritize safety, accessibility, and sustainability upgrades.
- **Apply for Funding:** Submit CIF or Public Sector Decarbonisation Scheme (PSDS) applications before October and December 2025 deadlines. Firms like Surveyors to Education (S2e) report an 85% CIF success rate.
- **Engage Suppliers:** Use the Procurement Act to source competitive bids from local and SME providers for maintenance and rebuilding projects.

"The 2025/26 term is the time to transform our schools," says a headteacher at a secondary school in London. "With funding allocations confirmed, we can finally upgrade our facilities to be safe, modern, and sustainable." The School Supply Store & Network urges school leaders to act decisively, leveraging this £6.5 billion investment to create thriving learning environments for students and staff.