



Department
for Education

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Email enquiry form:

www.education.gov.uk/contactus/dfes

To: S151 officers
CC: PPP contacts

Date: 27 April 2026

Dear Colleague,

Re: S31 Grant Determination Letter for Basic Need funding (31/8219)

This Determination is made between:

1. **The Secretary of State for Education;** and
2. **Local authorities listed in Annex A of the published Grant Determination.**

This letter relates to your local authority's Basic Need capital funding payments for the 2026-27 financial year, which can be found published at the link provided in Annex A to this letter. This allocation was published in March 2025.

Basic Need capital funding allocations are paid to local authorities to support the capital requirement for providing new mainstream school places, whether by expanding existing state-funded schools or establishing new ones. This is un-ringfenced capital funding that is not time-bound so that local authorities can make the best decisions for their local area. Basic Need capital funding allocations for the 2026-27 financial year support the creation of school places for September 2027.

The Conditions of Grant applying to Basic Need grant payments made to your local authority during the financial year 2026-27 (and which are set out in the schedule of payments referred to above) are included in the Grant Determination attached on pages 3 and 4. The Grant Determination is also published at the link provided in Annex A and conditions apply from the date of the first instalment.

The conditions should be read in conjunction with the grant guidance document published in the same location. This guidance sets out:

- the intended purpose of this funding;
- issues local authorities should consider to ensure that they achieve best outcomes; and
- details of the payment and assurance arrangements attached to this funding.

If you have any queries, please contact the DfE grant manager via this email address:
capital.allocations@education.gov.uk.

Please ensure this letter is copied to your Chief Finance Officer for information.

Yours faithfully,

Philip Dixon



Deputy Director, Central Capital Unit

CAPITAL grant determination (non-ringfenced)

BASIC NEED GRANT DETERMINATION (2026): No. 31/8219.

The Parliamentary Under-Secretary of State for Children and Families (“the Minister”), in exercise of the powers conferred by section 31 of the Local Government Act 2003, makes the following determination:

Citation

1) This determination may be cited as the Basic Need Grant Determination (2026) No. 31/8219.

Purpose of the grant

2) The purpose of the grant is to provide support to local authorities in England towards expenditure lawfully incurred or to be incurred by them.

Determination

3) The Minister determines as the authorities to which grant is to be paid and the amount of grant to be paid, the authorities and the amounts set out in Annex A.

Grant conditions

4) Pursuant to section 31(3) and 31(4) of the Local Government Act 2003, the Minister determines that the grant will be paid subject to the conditions in Annex B.

Treasury consent

5) Before making this determination in relation to local authorities in England, the Minister obtained the consent of the Treasury.

Signed by authority of the Parliamentary Under Secretary of State for Children and Families



Philip Dixon,

Deputy Director, Central Capital Unit

ANNEX A

Basic Need payments for 2026-27 can be found published in Table 2 of the spreadsheet available at: <https://www.gov.uk/government/publications/basic-need-allocations>

ANNEX B

GENERAL CONDITIONS OF GRANT

1. Grant paid to a local authority under this determination may be used only for the purposes that a capital receipt may be used for in accordance with regulations made under section 11 of the Local Government Act 2003.
2. The Section 151 officer / Chief Finance Officer of each of the recipient authorities are required to sign and return to the Capital Grant Assurance Team within the Operations and Infrastructure Group of the Department for Education a declaration, as part of the outturn statements in the Capital Grant Assurance return to be received no later than the date communicated by the team, in the following terms:
“As the local authority’s designated section 151 officer / Chief Finance Officer I certify that any capital grant provided through the Basic Need programme, that has been spent to date, has been used for a capital purpose.”
3. If an authority fails to comply with any of the conditions and requirements of paragraphs 1 and 2, the Minister may:
 - a. reduce, suspend or withhold grant; or
 - b. by notification in writing to the authority, require the repayment of the whole or any part of the grant.
4. Any sum notified by the Minister under paragraph 3(b) shall immediately become repayable to the Minister.

Additional conditions of grant

5. A local authority may be required to provide such information as reasonably requested by the Secretary of State, to supplement existing data relating to expenditure on new school places as funded by this grant.