

Schools Requiring Additional Support (SRAS) Criteria April 2026

The Schools Requiring Additional Support (SRAS) support criteria is administered through the School Improvement Group Board (SIG).

The current support arrangements have been developed by the Authority for schools that may be experiencing exceptional financial difficulty. Financial difficulty can arise from several causes which lead either to budget reductions for example due to falling rolls, or from the need for short term increases in expenditure. Examples include:

- Being placed in special measures or requiring significant improvement as identified by Ofsted.
- Identified by the School Advisor/Area Team Leader as requiring additional support for serious educational difficulties or failure to meet attainment targets.
- Subject to intervention by the Authority.
- Faced with serious personnel difficulties.
- Falling roll situations because of demographic changes.

The consequences of these are that the school can experience serious financial difficulty. The Schools Forum has agreed that the SRAS can provide support to schools requiring additional support that has resulted from the above.

In addition, the SRAS budget is also used to:

- Mitigate the interest charges that would otherwise have to be met by schools that have implemented an agreed recovery plan (i.e. have implemented appropriate measures to ensure that they do not exceed agreed deficit limits).
- Meet the cost of Contracting the School Financial Services Team at an enhanced level.
- Provide financial support to schools where their reserves are not sufficient for the school to meet the full cost of the intervention or restructuring costs themselves, in accordance with the financial support criteria agreed with the Forum.
- Provide one off financial support to schools who otherwise would not be able to recover from a deficit position. As a general guide, SIG suggested that whilst individual circumstances will always need to be taken carefully into account, maximum allocations from the SRAS fund in response to an application from an individual school should not exceed 33% of the previous financial year deficit, but many may be lower.
- The SRAS de-delegation will also fund the salaries of the SSP (formerly MIT) team who provide the professional advice and guidance to the schools that require support, and the advisors who provide financial and governance support outside of the SLA arrangements that schools sign-up for individually

The budget for this support is obtained through the de-delegation, which is agreed annually by the Forum, following a consultation with schools.

FINANCIAL SUPPORT FOR SCHOOLS REQUIRING ATTENTION

The funding for the SSP team and salaries for their work come from the delegated SRAS funding which is agreed by forum each year.

The salary costs for the advisers/consultants that undertake the SSP work will be funded from the SRAS fund for 2026/27, and this arrangement will be reviewed annually in consultation with Schools Forum. The costs for April 26/27 financial year will be:

SSP adviser staff	£481,953
Part salaries of Adviser staff for statutory visits	£195,395
Part salaries of LPDS staff who support SSP work	£243,399

The Lancashire Schools Forum has agreed the criteria whereby financial support will be provided to schools from the SRAS support budget. The formula and assumptions used in this assessment will be reviewed annually by the Forum.

This applies to all funding decisions agreed by the SIG e.g. contracts, additional funding bids, associate and acting arrangements. Separate arrangements apply to Voluntary Redundancy, Compulsory Redundancy and Severance payments (see below).

It should be noted that the SRAS fund cannot be used to pay off a school's deficit budget.

The formula

Financial support will be provided to schools where their reserves are not sufficient for the school to meet the full cost of the intervention or restructuring costs themselves. To ensure fairness and equity across all phases and size of schools, the following formula will be used to determine the contribution the school will be required to make. Where:

Schools are in deficit or have a surplus balance below their floor balance:

- The full cost of the support will be met from the SRAS fund.

Schools have balances above their floor balance but below their ceiling balance:

- Schools will pay the lower of:
 - The full cost of the support, or
 - 50% of their balance above their floor balance

- Any difference between the school contribution and the cost of the support will be met by the SRAS fund.

Schools have balances above their ceiling balance:

- Schools will pay the lower of:
 - The full cost of the support, or
 - The balance above their ceiling balance, plus 50% of their balance above their floor balance and ceiling balance
- Any difference between the school contribution and the cost of the support will be met by the SRAS fund.

For the purpose of this formula:

- A school's floor balance is set at the greater of £20,000 or 1% of CFR income.
- A school's ceiling balance is set at the greater of £60,000 or 4% of CFR income.
- The level of support from the SRAS fund will be calculated based on the year end position in the preceding financial year.
- Any allocation made to Schools in Deficit or Schools in Surplus that qualify for support under the agreed formula will not be reduced. All bids will be re-calculated once the final outturn for the current financial year is known. Any additional support required, after applying the agreed formula to the final outturn will be funded to the school before financial close.

Schools in deficit or forecasting to move into deficit by 31 March are required to:

- Agree a Recovery Plan with the Local Authority.
- Provide termly I&E submission with a revised forecast closing balance, and
- Provide a copy of the termly management accounts that are submitted to the governing body.

Procedures are in place to challenge schools where the approved recovery plan is not on target.

Financial Support for Voluntary Redundancy, Compulsory Redundancy and Severance payments

Financial support for VR, CR and severances is treated separately to other SRAS decisions. Financial support is not based on cumulative figures throughout the year, nor is it re-calculated* once the final outturn for the current financial year is known.

Financial support for VR, CR must have prior approval from SIG. Any VR or CR payments arising without SIG prior approval will be charged in full to the school budget.

Financial support for severances must have prior HR approval.

The formula (for VR, CR and severances)

Financial support will be provided to schools where their reserves are not sufficient for the school to meet the full cost of the intervention or restructuring costs themselves. To ensure fairness and equity across all phases and size of schools, the following formula will be used to determine the contribution the school will be required to make. Where:

Schools are in deficit or have a surplus balance below their floor balance:

- The schools will pay 20% of the cost with the remaining 80% being met from the SRAS fund.

Schools have balances above their floor balance but below their ceiling balance:

- Schools will pay 50% of the cost with the remaining 50% being met from the SRAS fund.

***Schools have balances above their ceiling balance:**

- The schools will pay 80% of the cost with the remaining 20% being met from the SRAS fund.

*Where schools have balances above their ceiling balance, SIG reserve the right to recharge any SRAS fund contributions towards VR, CR or severances made during the year if balances remain above their ceiling balance at the end of the current year.

For the purpose of this formula:

- A school's floor balance is set at the greater of £20,000 or 1% of CFR income.
- A school's ceiling balance is set at the greater of £60,000 or 4% of CFR income.
- The level of support from the SRAS fund will be calculated based on the year end position in the preceding financial year.