Appendix 3

**Schools in Financial Difficulty due to statuary class sizes management Policy**

**Version: May 2022**

**1. Overview**

* 1. This funding policy is for revenue associated reorganisations only and does not relate to capital items.
  2. Schools (the term schools used throughout this document includes academies) can access the funding and eligibility where there is a basic need requirement due to small statuary maximum class sizes of 30 in years R, 1 and 2. The DfE define Basic Need as new pupil places which are requested by the local authority because there are insufficient places available for pupils in the area.
  3. Medway Council’s director of education will determine if a school meets the eligibility criteria set by the policy.
  4. Funding will be allocated for one year only and will be paid on an academic year basis. Schools will need to reapply and submit a business case in November for funding each year if additional years funding is required.

**2. Criteria to access funding**

* 1. Schools can request funding support if schools meet the following criteria:
* Those schools who can’t reduce their published admissions numbers due to statuary school class sizes in key stage 1 i.e. years R, 1 and 2.
* Where the place planning team determine there is a requirement for a minimum percentage of the surplus places within the next three years and can’t enter into a local area amendment arrangement? Especially where the school has requested to reduce their PAN or enter into a local agreement which has been denied by the LA.
* Schools must submit a business case for approval by the Schools Forum in November so it can be discussed at the January Schools Forum meeting with funding starting from in September. I.e. submit business case in November 2017, Schools Forum approval in January 2018 with funding to start from September 2018. Where business cases are rejected, schools will be told why.
* The school does not receive pupil growth funding support for new classes.
* This funding is not intended to support schools who fall into financial difficulties through budget mismanagement.
* A school will not be eligible or will stop being eligible for funding if the class is more than 2 thirds full with schools who have a PAN of 60 or less across key stage 1. I.e. 21 for a PAN of 30, 41 for a PAN of 60
* A school will not be eligible or will stop being eligible for funding if the class is more than 67% full with schools who have a PAN of 90 across key stage 1 . I.e. 75 for a PAN of 90.

**3. Methodologies for distributing funding**

3.1 Funding will be for one year only and schools will need to reapply every year if additional funding is required. The funding is to help contribute towards the costs of a class teacher.

* 1. Schools must invoice the LA for this funding before 31 March of that financial year.
  2. A school or academy will receive £4,265 per pupil up to a maximum of £55,000 per class per year. The £55,000 will be pro-rated against the maximum PAN.

Example: A school has 21 pupils on roll from a PAN of 30 = £4,265 \* (30-21) = £38,365

A school has 42 pupils on roll from a PAN of 60 = £0.

A school has 74 pupils on roll from a PAN of 90 = £4,265 (90 -74) = £68,240 capped to £55,000.

* 1. A school will not be eligible for funding if the school receives growth funding.

**4. Budget**

4.1 The budget will be set annually to support this policy.

School forum Approval: 18.05.2022

Review Date: May 2023.