

REPORT TITLE: The Kirklees Safety Valve agreement

Meeting:	Children s Scrutiny Panel
Date:	22/11/24
Cabinet Member (if applicable)	Cllr Amanda Pinnock & Cllr Viv Kendrick
Key Decision Eligible for Call In	No N/A
Purpose of Report To provide insight into the Council’s ‘Safety Valve’ agreement with the Department for Education in relation to the High Needs Block of the Dedicated Schools Grant.	
Recommendations <ul style="list-style-type: none"> • That the report is noted. • Scrutiny support is requested moving forward on specific elements of the work e.g. Delivering cultural change – Clusters. 	
Reasons for Recommendations <ul style="list-style-type: none"> • The ‘Big Plan’ our SEND Transformation programme is complex, extensive and has a range of projects at various stages of maturity to be delivered by 2030. This is in line with the timescales required to deliver capital builds and cultural change. Scrutiny support moving forward would provide added value. 	
Resource Implications: Grant payments are dependent on delivery of agreed outputs. Capacity of officers / partners.	
Date signed off by <u>Executive Director</u> & name	Jo-Anne Sanders (for Tom Brailsford) 11/11/24
Is it also signed off by the Service Director for Finance?	Shared for info 12/11/24
Is it also signed off by the Service Director for Legal and Commissioning (Monitoring Officer)?	Shared for info 12/11/24

Electoral wards affected: All

Ward councillors consulted: Portfolio Holders and Cabinet

Public or private: Public

Has GDPR been considered? Yes

1. Executive Summary

High needs funding is funding for children and young people with Special Educational Needs or Disabilities (SEND) who need extra support at school or college or in alternative provision settings. Support for children and young people with SEND is a national issue for every Local Authority with demand, complexity and increasing costs providing major challenges. Many Authorities, including Kirklees, have historically, and continue to experience significant annual overspends on their High Needs Block, which is part of the Dedicated Schools Grant.

In the financial year 2020/21, the Department for Education put in place an intervention programme for the Local Authorities with the highest Dedicated School Grant deficits, this is called a Safety Valve Agreement. In the first phase of this programme there were 5 Local Authorities.

Government introduced Safety Valve for Kirklees in the second phase in the financial year 2021/22 along with 8 other Local Authorities. Kirklees agreement now ceases in 2030. It is noted that the original agreement was until 2026/27, but after being in enhanced monitoring, the size of the challenge has been noted and the timescale has moved to 2030.

There have been a further 2 phases. In 2022/23 there were an additional 20 Local Authorities in the programme, and in 2023/24 a further 4.

A Safety Valve Agreement is a relationship with the Department for Education (DfE) which provides a Local Authority with additional funding to support the reduction of the historic deficit in exchange for meeting financial and transformational targets. Part of the agreement at this point is reaching a positive 'in-year' balance on its Dedicated Schools Grant (DSG) account by the end of 2026-27.

A quarterly monitoring regime is in place and monies are released once these returns are 'accepted'. Schools Forum is engaged in the reporting and trajectories against Safety Valve Targets.

Kirklees is ambitious for local children and families and has made sure that parallel to these targets, and in full view, is a focus on improving outcomes and making a difference for and with our communities.

To deliver both Safety Valve requirements and Kirklees ambition, a comprehensive SEND transformation strategy and plan has been formulated and commenced and this has been published as 'The Big Plan'. [SEND - The Big Plan! | How we plan for SEND | Kirklees SEND Local Offer \(kirkleeslocaloffer.org.uk\)](#)

It should be noted that to achieve the changes required, a whole system approach is required and relies on each partner playing their part. To support this, strong system governance is in place supported by operational projects and task / finish groups,

Co-production with young people, Parent and Carer Network (PCAN), Schools and Health has been fundamental to the approach to strategy creation and delivery. This manifests itself in changing how we work together to improve timeliness of acting on SEND need, and potential need, to jointly make a difference for our communities.

2. Information required to take a decision

What is Safety Valve

Safety Valve is an agreement with the Government entered into by a range of Local Authorities. Its focus is on addressing and reducing the high deficits in local authorities' Dedicated Schools Grant (DSG) budgets, particularly those related to high needs funding for children and young people with SEND.

The DfE provides additional funding to these Local Authorities to help manage and reduce their deficits. In return, Local Authorities commit to implementing specific reforms and savings measures to assist in ensuring long-term financial sustainability.

Why are we in a Safety Valve agreement

Like many other Local Authorities, Kirklees has major challenges relating to demand, complexity and increasing costs. This has meant a significant annual overspend in 23/24 of £14.8m on the High Needs Block and this continues to rise. The cumulative deficit in 23/24 was £43.7m. The Safety Valve initiative offered the opportunity to receive additional income, both capital and revenue.

What does it mean for Kirklees

Kirklees agreement is currently from 2022 to 2030 and means receiving £33.5m in revenue and £8.2m in capital across the lifetime of the arrangement. Kirklees is also expected to contribute funding towards removing the deficit. It is noted that the original agreement was until 2026/27, but after being in enhanced monitoring, the size of the challenge has been noted and the timescale has moved to 2030.

The agreement was updated in 2023 and can be seen in full at Appendix 1. It focuses on the following key areas :-

- a. Ensure inclusive co-production and engagement is and will be central in approach to understand children's, young people's and family needs and how these are best met by a range of settings, services, local schools and at home;
- b. Implement joint commissioning and sufficiency strategies, re-balancing the range of placements, services and provision locally. These will include rebuilding and creating additional SEMH and Complex ASD special school places and increasing additionally resourced provision, to ensure a sufficient mix of flexible services and local placements for children and young people. Kirklees will have sufficient local education places that meet the needs of their population. This includes re-building 2 schools that will create an additional 100+ places.
- c. Ensure that children, young people and families have the right help and support, at the earliest possible opportunity, at a time that is right for them. This includes supporting children with SEND in mainstream schools by continuing to develop and implement the graduated approach, outreach support model and inclusion strategies, Kirklees will work with their schools in clusters that will further develop the skills, expertise and capacity of the workforce;

- d. Ensure that children and young people are being prepared for adulthood throughout their life course, promoting a focus on independence and transition as early as possible in a child's and family's journey;
- e. Continue to review assessment and decision-making processes to ensure decisions are made transparently, in a timely manner and in partnership with children, young people and families. This will include recruiting additional educational psychologists and the implementation of a range of holistic assessments tools engaging professionals and families and consolidating improvements and timeliness in our EHCP assessments and reviews. Kirklees as a local area, will increase and improve the timeliness and quality of responses to needs of children and young people with SEND.
- f. Develop and implement inclusion strategies as part of our approach to secure and develop Alternative Provision for children across all key stages and the creation of a new Alternative Provision Free School.

Monitoring implications

Money is released on a quarterly basis and is subject to monitoring and reporting to the DfE on progress and financial health. Kirklees must adhere to agreed-upon reforms and savings targets to continue receiving support. Part of the agreement at this point is reaching a balanced in-year balance on its Dedicated Schools Grant (DSG) account by the end of 2026-27.

Fulfilling monitoring requests involves Senior Officers Kirklees Chief Executive, Service Director for Finance as the S151 officer, the Executive Director for Children and Families and the Service Director for Learning and Early Support being involved along with operational staff.

What we are doing as a council to meet the requirements

Whilst the arrangement is between the Council and the Department for Education, a whole system approach is required to address the significant challenges faced. The SEND transformation programme's strategy to achieve this is set out in 'The Big Plan'.

Recognising the systemic change required, comprehensive SEND programme governance aims to ensure we have system wide ownership, involvement and awareness - Please see Appendix 2. This features leadership and connectivity from a political, strategic and operational viewpoint across the system. Scrutiny is a vital part of this, particularly as we move forward.

The focus of 'The Big Plan' is on early intervention and prevention via ensuring we have 'enough of the right stuff' (Sufficiency); ensuring 'are we getting it right (Quality & Compliance); and responding to 'Need' (Demand).

Within those 3 workstreams, the programme has 29 projects with a focus on task / finish and making a difference. Examples include :-

- a. The re-build of 2 special schools and the creation of more Additionally Resourced Provision which means more children can be educated locally in Kirklees.

- b. Commissioning and contract arrangements which means making sure services are good quality and value for money.
- c. Quality and compliance – this means making sure that we ‘get it right’. We know that there are many things that can be done to support children and young people with and without an Education & Health Care Plan.
- d. Driving cultural change – Clusters. This means schools and partners working together / sharing expertise at a local level to identify and meet need at its earliest opportunity.
- e. Preparing for adulthood. This work is currently being re-set with RISE (Research & Improvement for SEND Excellence) supported by The Council for Disabled Children. This is all about 4 areas between the ages 0 to 25 and covers Education or employment; Independent living and housing options; Participating in the local community / society and having positive relationships; and good health.

A raft of work has already been delivered, and the following examples provide an indicator of real impact for local people whilst at the same time addressing our financial challenges :-

Assistive Technology Example 1

R has autism, a learning disability and a sensory processing difficulty, he finds it very difficult to regulate himself. At times he finds travelling in the car difficult to manage and becomes increasingly heightened in presentation. R has attacked his mum while driving and he will often lean over and bang on the windows. More recently R had to be restrained in the car by his older brother to prevent R from hitting his mum while driving. R has attempted to climb out of the window whilst the car was moving previously and has no sense of danger.

Additionally, R struggles with sensory processing, he has an under responsive vestibular system which means he has to move more than others his age to gain an understanding of where his body is in space.

Solution: It was identified that R would benefit from using a harness to stabilise his core to help him feel calmer and alert when in the vehicle. The cost of this was just over £200.

Outcome: The provision has prevented the need for further carer support and reduced the risk of harm to R and his family.

Assistive Technology Example 2

B is Autistic and non-speaking but is very communicative. B has been trialling and using an Alternative Augmentative Communication (AAC) device (iPad with a program called TD snap) successfully in Woodley School since December 2021. This device, used in school, is funded directly by school but stays in school so she does not have access to it in the home. AAC support has been provided by the Speech and Language Therapist and her class team. B is successfully using her communication device within the school setting to communicate her wants and needs. B has access to paper based AAC in the home however it is important for her to have the same device to help her communicate her needs at home.

Solution: TD Snap is a flexible software offering a choice of AAC solutions to help people with communication disabilities. Funding was provided for an iPad and TD snap. The cost of this intervention was £434.

Outcome:

Email received from dad stating: ‘Before there was very little communication between myself and B, she got very frustrated and upset with herself when she was trying to tell me something which would lead to meltdown. With TD snap there is now much better

communication between B and myself, less meltdowns because she can tell me what she wants to do or wants. This device has had such a positive impact on our lives and can only improve in the future. She can even communicate with other people who come to our house who are really impressed with the device. I would recommend anyone who has a similar condition to try this device. PS – she can even answer me back when I tell her to do something’.

3. Implications for the Council

3.1 Council Plan

The work described fully supports, and is featured in, the Council plan.

3.2 Financial Implications

Please see above and Appendix 1.

3.3 Legal Implications

The work supports our legislative requirements, including timeliness of response.

3.8 Other (e.g. Risk, Integrated Impact Assessment or Human Resources)

Key risks include :-

- a. Sufficiency of SEND provision. Failure to meet the needs of the SEND and pre-SEND community, due to increases in demand and complexity of need, insufficient capacity within services / partnership and a lack of existing local provision leading to missing statutory deadlines and associated financial and reputational consequences.
- b. Safety valve commitments not delivered leading to negative impact on Service users, non-receipt of significant finances and reputational damage.
- c. System ownership and engagement within Services / partners is not achieved. Partners do not prioritise the project which means work not undertaken and outputs / outcomes not achieved.

Addressing inequalities is at the very heart of the programme and is a core ethic. Integrated Impact Assessments have been undertaken on specific elements of the programme to ensure opportunities are in view and there are no accidental adverse implications.

4. Consultation / Engagement

The SEND programme has co-production and engagement as a core value and approach. Young people, Parent and Carer Forum (PCAN), Health and Schools have been integral to creating and implementing strategic approaches. For example, schools and PCAN have been integral to creating the Kirklees ‘Cluster’ approach; and young people / partners including PCAN have coproduced our ‘Big Plan’.

The partnership approach is being further widened and C+K Careers are helping to drive our Preparing for Adulthood project.

In addition to the above and the governance already outlined, specific consultation has taken place e.g. on changes to SENDIF (SEND Inclusion Funding) to align with national approaches.

Engagement with our Schools is crucial, and to support this, Schools Forum and our Education and Learning Partnership Board are key partners to enable support and challenge regarding spend on our High Needs Block.

5. Options

5.1 Options considered

The SEND programme constantly scans the national picture for innovation and opportunities. It is involved in a range of groups, including but not limited to Local Government Association (LGA) Local Authorities Safety Valve group which involves Directors and Section 151 officers; Childrens Services Directors group; A Safety Valve group of circa 20 Local Authorities instigated by Kirklees that reaches wider than the region.

This intelligence is further supported by the DfE via the recently completed Written Statement of Action quarterly meetings.

It is noted the intelligence from the above sources, and the DfE via the Safety Valve agreement, has confirmed there are currently no areas of innovation that Kirklees has not considered or is not already implementing.

Kirklees has also been recognised as being leaders / a source of best practice e.g. receiving national recognition at awards and being invited to share with other Local Authorities our learning and approach. However, Kirklees will still continue to search for innovation opportunities to make a difference for the people of Kirklees.

5.2 Reasons for recommended option

The SEND programme is complex, extensive and has a range of projects at various stages of maturity. This is in line with the timescales required to deliver capital builds and cultural change. Scrutiny Panel have had the opportunity to observe the SEND Transformation and Commissioning Group, further oversight by scrutiny would provide added value.

The recommendation in the report is noted and Scrutiny support is requested moving forward on specific elements of the work, for example; delivering cultural change – Clusters and sufficiency of specialist learning places, as we secure the rebuilds for 2 of our Special Schools.

6. Next steps and timelines

Scrutiny feedback received and incorporated into planning.

7. Contact officer

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8. Background Papers and History of Decisions

[SEND - The Big Plan! | How we plan for SEND | Kirklees SEND Local Offer \(kirkleeslocaloffer.org.uk\)](http://kirkleeslocaloffer.org.uk)

9. Appendices

Appendix 1 – Safety Valve Agreement

Appendix 2 – SEND programme governance

10. Service Director responsible

Jo-Anne Sanders Service Director – Learning and Early Support.

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Dedicated Schools Grant ‘Safety Valve’ Agreement: Kirklees

1. This agreement is between the Department for Education and Kirklees Council, and covers the financial years from 2021-22 to 2029-30.
2. The authority undertakes to reach a positive in-year balance on its Dedicated Schools Grant (DSG) account by the end of 2026-27 and in each subsequent year. The authority undertakes to control and reduce the cumulative deficit as follows, not including any contribution made by the department through this agreement:

Year	Forecast DSG Deficit Profile at year end¹ £m
2021-22	£35.8m
2022-23	£46.4m
2023-24	£56.1m
2024-25	£63.3m
2025-26	£63.6m
2026-27	£52.1m
2027-28	£48.0m
2028-29	£40.1m
2029-30	£33.0m

¹ This profile includes contributions that the council will make from its own resources to reduce the DSG deficit.

3. The authority agrees to implement the DSG management plan that it has set out. This includes action to:
- 3.1. Ensure inclusive co-production and engagement is and will be central in approach to understand children's, young people's and family needs and how these are best met by a range of settings, services, local schools and at home;
 - 3.2. Implement joint commissioning and sufficiency strategies, re-balancing the range of placements, services and provision locally. These will include rebuilding and creating additional SEMH and Complex ASD special school places and increasing additionally resourced provision, to ensure a sufficient mix of flexible services and local placements for children and young people. Kirklees will have sufficient local education places that meet the needs of their population. This includes re-building 2 schools that will create an additional 100+ places.
 - 3.3. Ensure that children, young people and families have the right help and support, at the earliest possible opportunity, at a time that is right for them. This includes supporting children with SEND in mainstream schools by continuing to develop and implement the graduated approach, outreach support model and inclusion strategies, Kirklees will work with their schools in clusters that will further develop the skills, expertise and capacity of the workforce;
 - 3.4. Ensure that children and young people are being prepared for adulthood throughout their life course, promoting a focus on independence and transition as early as possible in a child's and family's journey;
 - 3.5. Continue to review assessment and decision-making processes to ensure decisions are made transparently, in a timely manner and in partnership with children young people and families. This will include recruiting additional educational psychologists and the implementation of a range of holistic assessments tools engaging professionals and families and consolidating improvements and timeliness in our EHCP assessments and reviews. Kirklees as a local area, will increase and improve the timeliness and quality of responses to needs of children and young people with SEND.
 - 3.6. Develop and implement inclusion strategies as part of our approach to secure and develop Alternative Provision for children across all key stages and the creation of a new AP free school.

4. The authority also agrees to ongoing monitoring of its performance in fulfilling this agreement. The authority will:
- 4.1. Report tri-annually (as a minimum) in writing to the Department (Funding Policy Unit) on its progress towards implementing the plan as per the conditions set out in paragraphs 2 and 3;
- 4.2. The monitoring reports should include progress against the conditions of grant and a financial dashboard detailing various metrics relating to demand and cost. DfE will provide a template for this;
- 4.3. Inform the Department (Funding Policy Unit) of any unforeseen difficulties or impacts of carrying out the agreement, or any significant risks to reaching the agreed financial position as soon as they arise;
- 4.4. Meet with the Department at any time when the Department deems it necessary to discuss progress towards the agreement.
5. The Department agrees to pay to the authority an additional **£13.5 million** of DSG before the end of the financial year 2021-22. In subsequent financial years, subject to compliance with the conditions set out in paragraph 3, the Department will pay DSG sums as follows. This funding will be provided in instalments and subject to continued satisfactory progress. Subject to full compliance, Kirklees should therefore eliminate their cumulative deficit no later than 2029-30.

Year	The Department agrees to pay to the authority an additional £m of DSG by year end
2021-22	£13.5m
2022-23	£4.0m
2023-24	£2.2m
2024-25	£2.3m
2025-26	£2.3m
2026-27	£2.3m

2027-28	£2.3m
2028-29	£2.3m
2029-30	£2.3m

6. This agreement is subject to review at any time, for example as a result of the following events:

6.1 Higher or lower DSG formula funding levels for the authority in future financial years than those the authority has assumed;

6.2 Significant changes to national SEND policy, for example as a result of the government SEND Review, which impact on elements of the plan;

6.3 Insufficient progress being made towards the authority reaching and sustaining an in-year balance on its DSG account as set out in the plan.

The review process will include an assessment of the impact of the change in circumstances.

SEND Programme Governance

