



Department  
for Education

# **Guidance on our intervention work with local authorities**

**June 2022**

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This guidance page sets out updates on the department's work with local authorities on high needs sustainability. Alongside an expansion in the support offered by the department, we have also published [guidance](#) and [research](#) to help authorities to manage their high needs systems sustainably.

## June 2022: The Delivering Better Value in SEND (DBV) programme

This new programme aims to support local authorities to improve delivery of SEND services for children and young people while ensuring services are sustainable. The programme will provide dedicated support and funding to 55 local authorities with less severe deficits than those in the Safety Valve programme.

The 55 LAs in the DBV programme have been selected, and no further invitations will be made. These LAs were selected based on those with the highest deficits as at 2020-21, below those in the Safety Valve programme.

Newton Europe, in collaboration with the Chartered Institute of Public Finance and Accountancy (CIPFA), will work with the department to deliver the programme.

Newton works as a transformation and improvement partner to local authorities and CIPFA is the local government accounting standard setter in the UK. Between them, they have worked with hundreds of public sector organisations, particularly local authorities, have a comprehensive understanding of children's services and the SEND agenda, and have set out an approach that is:

- **Outcomes-focussed.** Both organisations have worked extensively alongside local authorities to transform how services are delivered. Their focus is always on improving resident outcomes and ways of working, and consequently sustainably improving financial performance.
- **Evidence-based,** data-driven and delivery-focussed. Newton and CIPFA take a partnership approach to working with local authorities to create robust plans which will have a measurable and sustainable difference, and as delivery partners understand the challenges associated with implementing change.
- **Rooted in co-production:** The organisations believe any programme of work needs to be co-produced, bespoke, and based on detailed evidence of each local area – balancing visibility and assurance with local autonomy to genuinely add value to existing work.

They will bring experience of working with local authorities to improve social care, alongside project management, change management, and analytical financial modelling capacity. With SEND practice advisers, they will support local authorities to engage with key stakeholders and conduct a comprehensive diagnostic process to identify the opportunities to reform their high needs systems. Alongside SEND advisers, they will also support local systems to create a local delivery plan to realise these opportunities to

improve. The department will then work with local authorities to determine which identified reforms to fund and will provide small grants directly to local authorities to implement and embed these reforms.

Local stakeholder engagement will be vital to ensure everyone has fed into the plan and has bought into the outcomes the local area wants to achieve together. Newton/CIPFA will support this engagement.

The department is engaging with schools forums as part of the development of the programme. We expect that local schools forums will be consulted as part of the Diagnostic phase. It is also expected that local Parent Carer Forums (PCFs) will be involved in the diagnostic phase of the programme.

A Sector Steering Group (SSG) will provide sector-led advice, support and steers to the department in the delivery of the programme ensuring a channel of feedback for participating LAs and the wider sector. It will also ensure learning is shared more widely with the sector, building further on the research and guidance publications. The SSG is currently being formed and currently comprises:

<b>Chair</b>	
TBD	Chief Executive of one of the 55 DBV LAs
<b>Members</b>	
Ade Adesotoye	SOLACE
Esther Kavanagh-Dixon	ADCS
Sally Burlington	LGA
Lorna Baxter	SCT
Lorraine Mulroney	NHS England
TBD	Education settings
Tina Emery	NNPCF
Fiona Nzegwu	DfE
Tom Goldman	DfE

The table will be updated once the SSG composition is finalised.

## March 2022: Update on the Safety Valve Programme

The department has now entered into a further 9 Safety Valve agreements with local authorities with high DSG deficits. These agreements, as above, will hold the local authorities to account for delivery of reforms to their high needs systems, so that they can function sustainably and therefore in the best interests of the children and young people they serve. These local authorities will be expected to reach an in-year balance on their DSG as quickly as possible, and over time eliminate their deficits. The agreements will be closely monitored, and if the conditions set in the agreements are not being met, we will not hesitate to withhold payments.

There should be no doubt that local authorities are responsible in accounting terms for their DSG deficits, and authorities will know that DfE regulations allow the deficits to be carried forward from year to year. We do understand that many additional local authorities, beyond those with Safety Valve agreements, would benefit from support to reach a sustainable position, and some authorities will not be able to resolve their DSG deficits without extension of more targeted intervention. From 2022-23, following investment through the Spending Review, the department will run 3 programmes aimed at helping authorities with the sustainability of high needs systems, which together will work with all authorities. The aim of all 3 programmes is to secure sustainable management of local authorities' high needs systems, with support and intervention tailored to the severity of the problems authorities are facing.

The local authorities with the highest DSG deficits have been invited to the Safety Valve programme, those with less severe but substantial deficits have been invited to the Delivering Better Value programme, and the remaining authorities will be contacted by the Education and Skills Funding Agency.

This work is supported by the significant increase of 40% in high needs funding since 2019-20, to a national total of £9.1 billion in 2022-23. Funding will continue to grow in 2023-24 and 2024-25, but on a scale smaller than the increases over the last 3 years. Local authorities will be asked in working with the department to use an assumption of a 5% increase on their total high needs block allocation between 2022-23 and 2023-24, and 3% year on year beyond that, although these increases are not guaranteed, and exact funding for all authorities will be decided as part of the usual annual process of setting allocations.

We understand the particular concerns around the Department for Levelling Up, Housing and Communities' temporary statutory override to ring-fence DSG deficits from councils' wider financial position in their statutory accounts. As it stands, this ring-fence is due to end after the accounts for the financial year 2022-23, at which point authorities will need to demonstrate their ability to cover DSG deficits from their available reserves. It is therefore crucial that authorities' high needs systems move to a more sustainable position, and we encourage local authorities to fully engage with the support on offer

through the Safety Valve, Delivering Better Value and Education and Skills Funding Agency programmes.

Local authorities with sustainable high needs systems will be in a far better position to modernise in line with the SEND review, as change is implemented in the longer term.

## **July 2021: Reflections by Tony McArdle, Chair of the SEND System Leadership Board and former CEO of Lincolnshire County Council**

Sustainable and effective high needs systems should be a priority of local authority leadership. The Safety Valve intervention programme has demonstrated just how quickly good leadership and genuine collaboration across education and finance can identify suitable and innovative solutions, for the benefit of children and young people with special education needs and/or disabilities (SEND).

The government recognises that, over recent years, significant pressures on high needs budgets have resulted in many local authorities accruing deficits on their Dedicated Schools Grant (DSG). The right response to tackling this is a multi-faceted approach which looks to the heart of the issues: significant increases in high needs funding nationally; targeted intervention for the local authorities which have struggled the most; and reform from the cross government SEND review. The SEND review is considering improvements to make sure the SEND system is consistent, high quality, integrated and financially sustainable for the future. Nevertheless, all local authorities must take responsibility for effective management of their high needs systems now.

Many local authorities continue to do just that: work effectively to manage their high needs systems and associated spending in a sustainable way, supported by the significant funding increases since 2020-21, for the benefit of the children and young people they serve. They will be in a strong position to modernise in line with the SEND review as change is implemented.

For some local authorities, however, there is a more urgent need to resolve issues with the sustainability of their high needs systems. These local authority leaders have an immediate opportunity to get on the front foot in advance of the SEND review, by taking effective steps now. We know many local authorities are working hard to be sustainable already, in particular in light of the temporary ring-fence for DSG deficits (up to the end of 2022-23). Sustainable high needs systems are essential for the effective ongoing support of children and young people with SEND, and this will be the focus for any future high needs system. Furthermore, as it stands, local authorities will need to demonstrate their ability to cover DSG deficits from their available reserves from 2023-24 onwards.

In 2020-21, the Department for Education introduced the Safety Valve intervention programme for those local authorities with the very highest percentage DSG deficits, recognising that help would be needed for these authorities to turn things around in a

short space of time. The programme required those local authorities to develop substantial plans for reform to their high needs systems and associated spending, with support and challenge from the department, to rapidly place them on a sustainable footing. The authorities will be held to account for their reform and deficit reduction targets via regular reporting to the department. The department will help the local authorities with additional funding over time to contribute to their historic deficits, contingent on delivery of the reforms.

The programme, working with a small number of local authorities in the first round, identified a number of ways in which local authorities can and should improve their management of their high needs systems. The lessons learned through this intervention programme could benefit other local authorities, which should be looking to make improvements to their management of high needs for the benefit of their children and young people. We have set out below key reflections from the programme which we hope other local authorities can learn from and implement where possible.

## **July 2021: Initial learning from the Safety Valve Programme - goals of a sustainable high needs system**

The Safety Valve intervention programme has demonstrated that, if a local authority's leadership prioritises high needs improvement, setting a joined up and efficient example, it is possible for even those facing the most acute challenges to create innovative and viable plans for change. The Safety Valve local authorities have demonstrated a commitment from their entire leadership teams to addressing their high needs deficits, in collaboration with the department, and it was this shared vision which enabled their progress.

We asked the local authorities to focus on one mission statement: to develop plans to reform their high needs systems as quickly as possible to provide a good service within their available funding. The programme is not a 'bail-out' – it requires genuine reform and improvement to services. All local authorities should focus on the same goal, for the long-term benefit of their children and young people and securing the support they require.

There were two principal goals identified during the programme which were critical for the local authorities' ability to reach sustainable positions:

- appropriately managing demand for Education, Health and Care Plans (EHCPs), including assessment processes that are fit for purpose
- use of appropriate and cost-effective provision - this includes ensuring mainstream schools are equipped and encouraged to meet needs where possible, whilst maintaining high standards for all pupils

Ultimately, each local authority needs to take an individual approach to reaching these goals depending on their individual circumstances. There is no evidential basis for the indefinite increase in the requirement for EHCPs, and we would broadly expect a

stabilisation in numbers in an effective local authority. Local authorities have a responsibility to meet children and young people's needs in a cost-effective way to ensure the longevity of the available support.

This commentary sets out the main ways in which the Safety Valve local authorities are going about reaching sustainability. Other local authorities should consider these approaches when creating their own [DSG management plans](#) – all local authorities should have plans in place for managing their DSG balance. We have also provided [a number of case studies](#) demonstrating examples of particular methods for appropriately managing demand for EHCPs and ensuring use of appropriate and cost-effective provision. These have come from a broad spectrum of local authorities, and we are always interested in hearing other ways in which authorities are improving and managing their high needs systems.

The areas of focus highlighted here are all interlinked and demonstrate the need for a joined-up and co-produced commitment to sustainability. Local authority leaders should consider their own high needs systems holistically with this shared goal, including consideration of wider context such as inspection outcomes. Constructive engagement with parents and carers must be fully embedded in the approach – we have highlighted this in some examples below, but leaders should ensure that families are at the heart of decision making to ensure viability of any plans, reflecting the statutory duty to involve parents, carers and providers in co-producing any changes to SEN provision.

We have therefore suggested a series of questions for local authorities to consider, which should be tailored to the specific service issues and drivers of cost in each authority. This is based specifically on the learning from the recent Safety Valve intervention programme round, and is therefore not necessarily a comprehensive list. We hope that our continued monitoring of the [Safety Valve agreements](#) will provide more opportunities for learning as implementation of the local authorities' plans progresses.

Please see case studies 1 to 5 for examples of strategic planning with education and finance colleagues, and LAs appropriately managing demand for EHCPs.

## **Achieving the goals**

### **Early intervention focus**

Early intervention, providing proactive support for children and young people is critical for ensuring needs are met and do not escalate unnecessarily. A number of the local authorities involved in the Safety Valve programme were able to increase their focus on identifying and meeting children and young people's needs much earlier on. This can be more effective for the individual child or young person, and more widely supports a sustainable and well managed SEND system.



### **Questions to consider:**

- Is there sufficient emphasis on early intervention in our high needs strategy?
- Is existing early intervention investment directed in the most useful and beneficial way for children and young people?
- Would we see benefits in investing further in early intervention initiatives, or redirecting existing investment?

Please see case study 6 for an example of effective early intervention supporting a sustainable approach to high needs.

## **Increased SEN support offer**

Similarly, increasing the support available for children on SEN support, or those without an EHCP, can reduce escalation of need and mean that the level of requests for EHCPs is also reduced. It is vital that this is supported with appropriate parental engagement, and that this increased support is reflected in the assessment process for EHCPs. For example, an increase in the Speech, Language and Communication Needs (SLCN) offer at SEN support level should result in a lower requirement for EHCPs for this type of need.

### **Questions to consider:**

- Is our SEN support offer sufficient and best targeted to enable children and young people's needs to be met without an EHCP where appropriate?
- Are schools and SENCOs engaged with our SEN support offer?
- How effectively are we working with health and social care partners to ensure that children in school can access services without the need for an EHCP?
- Are parents and young people confident in the quality and availability of the SEN support offer?

Please see case studies 7 and 8 for examples of increasing SEN support offer supporting a sustainable approach to high needs.

## **Review EHCP assessment processes and thresholds**

Through the intervention programme, some local authorities highlighted a need to review their EHCP assessment processes and thresholds in order that they could better deal with requests for EHCPs. This included considering approaches taken by other local authorities to assessment and awarding thresholds. Taken holistically with an early intervention focus and an increase in the SEN support offer, local authorities could also

consider a thorough review of EHCP cessations. This should be securely reinforced through a well-functioning annual review process, which should ensure EHCPs are fairly assessed for continued relevance and need.

The emphasis here was and should be on ensuring that children and young people's needs are met appropriately and through a sustainable model as they change and develop.

### **Questions to consider:**

- Have we reviewed and robustly tested our EHCP assessment processes and thresholds?
- Is our annual review process fit for purpose, and does it truly consider the continued relevance of plans?
- Should we consider a review of EHCP cessations?

Please see case study 9 for an example of reviewing EHCP assessment processes and thresholds to support a sustainable approach to high needs.

## **Culture change and work with school leaders**

Hand in hand with a focus on early intervention and increased SEN support came the need to work closely with school leaders to create a shared goal for children and young people with SEND. While there is a clear need for strong leadership within a local authority to create this shared goal, the Safety Valve local authorities demonstrated the need for this sense of common purpose to extend more widely to education, health and other partners. The schools forum, for example, is a key partner for delivering effective high needs systems and should be engaged in the broader aim. Other partners including the parent carer forum and practitioners, such as SENCOs, should also be engaged.

Many of the Safety Valve authorities plan to invest in creating a more inclusive culture across their whole authority, including both their approach to provision mapping and their work in schools. The authorities identified that increasing the level of need that can be met appropriately in mainstream provision needed cultural reinforcement as much as any increased offer of support. This ethos reinforces and supports local authorities' ability to use appropriate and cost-effective provision in a truly considered way.

### **Questions to consider:**

- Are the schools in our area encouraged and empowered to meet the needs of children and young people with SEND wherever possible and appropriate? Could we encourage greater sharing of best practice among the schools in our area?
- Do schools and other partners share in our goal to manage the high needs block sustainably, to the benefit of children and young people?
- Have we involved all partners in achieving the true aims of the high needs system?

Please see case study 10 for an example of effective culture development and work with school leaders supporting a sustainable approach to high needs.

## **Appropriate and thorough provision mapping, with potential development of more local provision**

The majority of the Safety Valve local authorities also partly attributed their significant deficits to inappropriate access to or use of out of area provision – often an overreliance on independent or distant placements was driving up costs. It is therefore vital that local authorities take a strategic approach to planning provision driven by need, and invest available capital funding towards the creation of more local places where necessary and appropriate. This strategy can only be successful, however, if all education providers are able to work within a supportive and inclusive framework set by the local authority.

Changing an established pattern of provision is a long-term process rather than a rapid change, given the importance of continuity for children and young people. The Safety Valve authorities facing this issue are taking a strategic approach, by focusing on transition points for their children and young people, and ensuring that appropriate local provision is available for them for the next stage of their education. Parents are a key partner in this work, as well as The schools forum, and should be consulted throughout the provision mapping and development process.

## Questions to consider:

- Do we have sufficient provision within the local authority or neighbouring area to meet current and anticipated needs? Is there an over-reliance on higher-cost provision, such as independent school places?
- How strong are our working relationships with neighbouring LAs in relation to joint planning and use of specialist provision?
- Do we have an appropriate sufficiency strategy in place for specialist provision?
- Are we maximising opportunities to place children in appropriate and cost-effective provision, such as mapping transition points for children and young people and working closely with parents?

Please see case studies 11 and 12 for examples of appropriate and thorough provision mapping supporting a sustainable approach to high needs.

## Next steps

As we have covered, local authorities have a responsibility to manage their high needs systems in an efficient and sustainable way on behalf of the children and young people they provide for. The Safety Valve intervention programme highlighted a number of ways in which local authorities, even those facing significant difficulties in managing their budgets, can work towards sustainable systems.

The primary goals of appropriately managing demand for EHCPs and using appropriate and cost-effective provision can be achieved through a range of means, and local authorities should look to reach these goals in the ways most appropriate for them and their children and young people. Ultimately, working towards these two goals will put local authorities in a strong position as the high needs system develops with the upcoming SEND review.

We expect to expand the Safety Valve intervention programme to other local authorities during 2021-22 and as necessary in subsequent years, continuing to target those with the most substantial deficits. Invitations to the next round will be issued directly to local authorities shortly.



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