



Dedicated Schools Grant 'Safety Valve' Agreement: South Gloucestershire

1. This agreement is between the Department for Education and South Gloucestershire County Council, and covers the financial years from 2021-22 to 2027-28.
2. The authority undertakes to reach a positive in-year balance on its Dedicated Schools Grant (DSG) account by the end of 2024-25 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 end £m
2021-22	£33.1m
2022-23	£36.7m
2023-24	£36.8m
2024-25	£34.1m
2025-26	£30.7m
2026-27	£26.9m
2027-28	£25.0m

3. The authority agrees to implement the DSG management plan that it has set out. This includes action to:
 - 3.1. Review top-up funding to implement a transparent and sustainable model;
 - 3.2. Further develop the 'cluster model' of schools to drive inclusive practice, effective commissioning and reduce demand for EHCPs;

- 3.3. Strengthen SEN support provision in mainstream education and rebalance the percentage of pupils at SEN support to be more in line with statistical neighbours and the national position;
 - 3.4. Promote early intervention by increasing the capacity of educational settings to identify and meet the needs of children and young people;
 - 3.5. Improve identification of need and access to support in Early Years settings to reduce escalation of children's needs, and reduce reliance on EHPCs;
 - 3.6. Develop the planning process for phase transfer, with a robust focus on escalation points and high cost routes;
 - 3.7. Develop a regional approach to sufficiency planning to enable effective and appropriate use of special school and resource base places;
 - 3.8. Develop the authority's approach to commissioning places to secure value for money through improved planning, decision making and monitoring arrangements of independent school placements;
 - 3.9. Maintain engagement with stakeholders through strong and collaborative governance arrangements, such as Schools Forum, primary and secondary head teachers and Early Years settings.
4. The authority also agrees to ongoing monitoring of its performance in fulfilling this agreement. The authority will:
- 4.1. Report quarterly (as a minimum) in writing to the Department (Funding Policy Unit) on its progress towards implementing the plan as per the conditions set 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 **£10.5 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, South Gloucestershire should therefore eliminate their cumulative deficit no later than 2027-28.

Year	The Department agrees to pay to the authority an additional £m of DSG by year end
2021-22	£10.5m
2022-23	£5.5m
2023-24	£2.0m
2024-25	£2.0m
2025-26	£2.0m
2026-27	£3.0m

6. The Department has also sent a commission relating to your local authority's capital plans for the creation of new places for children and young people with special educational needs and disabilities (SEND) or those requiring alternative provision (AP). It is critical that you are considering your revenue and capital plans holistically – in developing capital proposals, we fully expect local authorities to have a keen eye on the efficiencies that need to be made and how they can invest wisely to secure financially sustainable high needs systems.
7. As such, capital proposals will need to demonstrate how investment is aligned to, or further develops, the reform plans and savings outlined in this agreement. Proposals will need to focus on projects that can be delivered quickly to improve the local provision offer and meet identified gaps in local provision. The Department will assess and review proposals against set criteria which have been outlined in the commission. Subject to that assessment, the Department will consider making a capital contribution to these plans in 2022-23 as a top-up to the local authority's High Needs Provision Allocation (HNPCA), which will be announced in Spring. Progress against delivery of those capital plans should

then be integrated into your quarterly reporting to the department as part of the monitoring of your agreement.

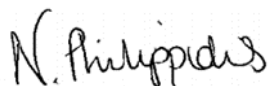
8. This agreement is subject to review at any time, for example as a result of the following events:
 - 8.1. Higher or lower DSG formula funding levels for the authority in future financial years than those the authority has assumed;
 - 8.2. Significant changes to national SEND policy, for example as a result of the government SEND Review, which impact on elements of the plan;
 - 8.3. Insufficient progress being made towards the authority reaching and sustaining an in-year balance on its DSG account as set out in the plan;
 - 8.4. Whether South Gloucestershire is awarded additional capital funding support following the capital plan commissioning process.

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

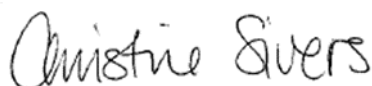
On behalf of South Gloucestershire Local Authority, Signed by:



Dave Perry - LA Chief Executive



Nina Philippidis – Service Director - Finance (Section 151 Officer)



Chris Sivers – Executive Director for People

On behalf of the Department for Education, Signed by:

A handwritten signature in black ink, appearing to be 'Tom Goldman', written in a cursive style.

Tom Goldman – Deputy Director, Funding Policy Unit