



## Dedicated Schools Grant 'Safety Valve' Agreement: North Tyneside

1. This agreement is between the Department for Education and North Tyneside Council, and covers the financial years from 2022-23 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 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:

<b>Year</b>	<b>Forecast DSG Deficit Profile at year end £m</b>
<b>2022-23</b>	£17.9m
<b>2023-24</b>	£20.2m
<b>2024-25</b>	£20.9m
<b>2025-26</b>	£21.1m
<b>2026-27</b>	£20.7m
<b>2027-28</b>	£19.5m

3. The authority agrees to implement the DSG management plan that it has set out. This includes action to:
  - 3.1. Co-produce the authority's graduated offer, supported by the development of a range of Additional Resourced Provisions (ARPs); increasing mainstream school capacity for children and young people with Social, Emotional and Mental Health (SEMH) needs, Speech,

Language and Communication Needs (SLCN), and Autism Spectrum Disorder (ASD);

- 3.2. Focus on children and young people aged 0-5 years by developing an Early Years Hub, through which every child who has or may have Special Educational Needs and Disabilities (SEND) in North Tyneside will be known to the Local Authority (LA), and which will act as a single point of access for requests for support across the SEND partnership;
- 3.3. Roll out Mental Health Support Teams across schools in North Tyneside. Strengthening the graduated offer, these teams will address the early identification of Mental Health and Emotional Wellbeing (MH&EW) needs, provide brief interventions, consultation and signposting, and support with a whole school approach to MH&EW;
- 3.4. Strengthen the outreach offer into schools by expanding and developing a multi-agency School Support Team, providing a targeted offer to all schools for children and young people through graduation, who are presenting with SEMH, demonstrate behaviours which are challenging to others, or who are Emotionally Based School Non-Attendees (EBSNA);
- 3.5. Pilot and introduce an Inclusion Fund, providing schools with funding for children and young people at Special Educational Need (SEN) Support where this will strengthen education, learning and outcomes, and prevent needs from escalating;
- 3.6. Conduct a review of commissioned services and develop a SEND Centre of Excellence, to build capacity and expertise across the system, creating a single front door for services to schools, to allow children and young people to access the support they need, when they need it;
- 3.7. Strengthen the coordinated review of children and young people's Education Health and Care Plans (EHCPs) 14-25 years of age with the establishment of a SEND Preparation for Adulthood Team, to support the wider aspirations of young people in the borough;

- 3.8. Establish an understanding of the strength of SEND strategic planning and the quality of the graduated response in each of our mainstream and maintained special schools, through a universal offer of a whole school SEND audit. The intention is to improve graduation and SEND strategic planning within the borough, resulting in improved quality first teaching and SEND leadership.
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 **£7.80 million** of DSG before the end of the financial year 2022-23. 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, North Tyneside 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
2022-23	£7.80m

<b>2023-24</b>	£1.95m
<b>2024-25</b>	£1.95m
<b>2025-26</b>	£1.95m
<b>2026-27</b>	£1.95m
<b>2027-28</b>	£3.90m


6. The Department has also sent a commission relating to the authority's capital plans for the creation of new places for children and young people with SEND or those requiring Alternative Provision (AP). It is critical that the authority considers its revenue and capital plans holistically. 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 2023-24 as a top-up to the local authority's High Needs Provision Capital Allocation (HNPCA), which will be announced in Spring. Progress against delivery of those capital plans should then be integrated into the tri-annual reporting to the Department as part of the monitoring of this agreement.
7. This agreement is subject to review at any time, for example as a result of the following events:
- 7.1. Higher or lower DSG formula funding levels for the authority in future financial years than those the authority has assumed;
  - 7.2. Significant changes to national SEND policy which impact on elements of the plan;
  - 7.3. 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.

On behalf of North Tyneside Council, signed by:



Paul Hanson - LA Chief Executive



Jon Ritchie - Chief Finance Officer (Section 151 Officer)



Julie Firth - Director of Children's Services

On behalf of the Department for Education, signed by:



Tom Goldman – Deputy Director, Funding Policy Unit