



## Dedicated Schools Grant 'Safety Valve' Agreement: Darlington

1. This agreement is between the Department for Education and Darlington Council, and covers the financial years from 2022-23 to 2026-27.
2. The authority undertakes to reach a positive in-year balance on its Dedicated Schools Grant (DSG) account by the end of 2023-24 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<br/>£m</b> |
|----------------|--|
| <b>2022-23</b> | £6.2m  |
| <b>2023-24</b> | £6.0m  |
| <b>2024-25</b> | £5.3m  |
| <b>2025-26</b> | £4.2m  |
| <b>2026-27</b> | £2.8m  |

3. The authority agrees to implement the DSG management plan that it has set out. This includes action to:
  - 3.1. Manage the demand for Education Health and Care Plans (EHCPs), though the local graduated response, building in early intervention and an inclusive culture, ensuring that children and young people's needs are met within mainstream education;
  - 3.2. Identify, assess and implement alternative forms of Special Educational

Needs and Disabilities (SEND) support through early identification of need and embedding targeted support;

- 3.3. Reduce demand in independent placements through multiple pathways, such as Alternative Provision (AP), Social Emotional and Mental Health (SEMH) Resource Bases, and placements through the new Tees Valley Free School;
  - 3.4. Review the Home and Home Teaching Service with a view to reorganise or recommission the current service;
  - 3.5. Deliver a reduction in Post-16 independent special school placements, which will be achieved by current placements reaching a natural end and new Post-16 placements being offered as college placements;
  - 3.6. Consult on all current resource provision and outreach in Darlington, ensuring resources meet the needs of children and young people;
  - 3.7. Introduce an outcome-based framework to ensure quality of the commissioned SEND provision, including monitoring visits to ensure standards are being met and a requirement to independently survey children and young people and families on at least an annual basis to assure satisfaction of service.
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 **£2.48 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, Darlington should therefore eliminate their cumulative deficit no later than 2026-27.

| <b>Year</b>    | <b>The Department agrees to pay to the authority an additional £m of DSG by year end</b> |
|----------------|--|
| <b>2022-23</b> | £2.48m   |
| <b>2023-24</b> | £0.74m   |
| <b>2024-25</b> | £0.74m   |
| <b>2025-26</b> | £0.74m   |
| <b>2026-27</b> | £1.49m   |

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 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;
  - 6.4. Whether Darlington are successful in their bid for a free school.

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

On behalf of Darlington Council, signed by:



Ian Williams - LA Chief Executive



Elizabeth Davison – Group Director of Operations/Section 151 Officer



James Stroyan – Group Director of People

On behalf of the Department for Education, signed by:



Tom Goldman – Deputy Director, Funding Policy Unit