



Dedicated Schools Grant 'Safety Valve' Agreement: Southwark

1. This agreement is between the Department for Education and Southwark 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 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
2022-23	£24.0m
2023-24	£24.3m
2024-25	£23.8m
2025-26	£23.2m
2026-27	£23.0m

3. The authority agrees to implement the DSG management plan that it has set out. This includes action to:
 - 3.1. Develop and embed a universal, multi-agency offer for families of young children with Special Educational Needs and Disabilities (SEND), ensuring that only the most complex cases are being referred for Education, Health and Care (EHC) needs assessment;
 - 3.2. Support mainstream schools to better meet the needs of children with all

SEND needs but in particular Autism Spectrum Disorder (ASD) by using specific ASD focused whole school training and support packages, and maximising the use of local resource bases;

- 3.3. Deliver the 'Education Capital Strategy' (including the use of the High Needs Provision Capital Allocation) to develop in borough provision to meet need, provide adequate special school places and support mainstream inclusion, with a focus on ensuring provision is high quality and value for money;
 - 3.4. Increase the capacity of SEND professionals to continue to support and drive developments for SEND in the borough who are committed to meeting children's needs at the earliest opportunity;
 - 3.5. Review and revise the graduated response with school leaders, Special Educational Needs Co-ordinators (SENCOs) and parents and carers, to promote early intervention and ensure children and young people with SEND are able to have their needs met in a provision which is most appropriate;
 - 3.6. Accelerate movement out of the SEND system through robust annual review processes, working with partners to develop alternative offers and promoting independence through strengthened process and practice.
 - 3.7. Reduce unit costs within the SEND system through benchmarking top ups and more effective commissioning;
 - 3.8. Develop the Southwark SEND school hub to deliver training and support to other schools, and signpost available training;
 - 3.9. Expand the offer to young people with SEND in the 19-25 age range, by working with cross council colleagues to improve and increase opportunities for internships, apprenticeships, and employment.
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 **£9.22 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, Southwark should therefore eliminate their cumulative deficit no later than 2026-27.

Year	The Department agrees to pay to the authority an additional £m of DSG by year end
2022-23	£9.22m
2023-24	£2.77m
2024-25	£2.77m
2025-26	£2.77m
2026-27	£5.53m

6. The Department has also agreed to provide Southwark with additional capital funding to support the delivery of this agreement. 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 Southwark Council, signed by:



Althea Loderick - LA Chief Executive



Duncan Whitfield - Chief Finance Officer (Section 151 Officer)



David Quirke-Thornton - Director of Children's Services

On behalf of the Department for Education, signed by:



Tom Goldman – Deputy Director, Funding Policy Unit