

**Children, Education and Communities Policy
and Scrutiny Committee**

**01 November 2022
(postponed from
12 October 2022)**

Report of the Assistant Director, Education and Skills
(Portfolio of the Executive Member for Children, Young People and
Education)

**The Safety Valve Agreement (Quarter 1 and Quarter 2 monitoring
reports)**

Summary

1. This report provides the members of the policy and scrutiny committee with an update on the progress being made to deliver the Safety Valve recovery plan. The council has entered into a formal agreement with the Department for Education (DfE) to eradicate the deficit on the High Needs Block of the dedicated schools grant by 2024/25. As part of this agreement the council is required to provide the DfE with quarterly progress reports throughout the lifetime of the agreement. The quarter 1 and quarter 2 monitoring reports were shared with the DfE in June and September 2022. The council is currently on track to meet the deficit reduction targets set out in the Safety Valve agreement.

Recommendations

2. The members of scrutiny are asked to:
 - 1) Note the progress that has been made to date on the delivery of the Safety Valve recovery agreement between the Department for Education and the council.

Reason: the process of the quarterly monitoring forms the basis of the grant agreement that the council has signed up to.

Background

3. In 2020-21 the Department for Education (DfE) introduced the safety valve programme for local authorities that were facing

significant deficits on the high needs element of their dedicated schools grant (DSG). The high needs funding supports the costs associated with provision for children and young people with special educational needs and/or disabilities (SEND).

4. York was invited to join the safety valve programme in November 2021 and was required to produce a recovery plan to show how it proposed to address the in-year pressures in the dedicated schools grant (DSG). In March 2022 the local authority was successful in gaining support to address its historic cumulative deficit through entering into a Safety Valve agreement with the DfE (see appendix 1).
5. The Safety Valve agreement will ensure that the projected cumulative deficit of £17.1 million by 2025 would be written off by the DfE on delivery of the actions in the recovery plan. The local authority were also invited to submit a request for additional capital funding to support the delivery of actions in the recovery plan and was successful. This has added an additional £3 million to the SEND capital budget and has created a total budget of £8.5 million. Whilst the recovery plan focusses on managing a financial deficit, the council sees the Safety Valve programme tying in very closely with the capital funding plan and “Written Statement of Action”. This approach will see the introduction of a number of process improvement and change management initiatives that will create a sustainable model for long-term success, post safety valve completion.
6. The actions identified in the Safety Valve agreement strongly align with the proposals in the recently published SEND Review Green Paper. These actions focus around four key areas of activity and the agreement conditions tie in to one or more of these key areas:
 - Demand management
 - Sufficiency
 - Inclusion in mainstream
 - Preparation for adulthood

The focus of the recovery plan is to ensure that improvements are made in the lived, provision and better integrated working across education, health and care.

7. At the end of quarter 2 the council is on track to meet the overall financial targets set out in the Management Plan for 2022/23 with

all savings identified either already achieved or expected to be achieved by the end of the financial year. The table below summarises the projected progress of the DSG deficit over the 4 years of the safety valve agreement

| | 2022/23 £000 | 2023/24 £000 | 2024/25 £000 | 2025/26 £000 |
|----------------------|-------------------------|-------------------------|-------------------------|---------------------|
| Brought forward | 5,843 | 5,090 | 3,811 | 1,853 |
| In year position | 1,747 | 1,221 | 542 | -96 |
| Safety Valve Funding | -2,500 | -2,500 | -2,500 | -2,000 |
| Carry forward | 5,090 | 3,811 | 1,853 | -243 |

8. The table below summarises the operational activity that has taken place against each of the priorities in the Safety Valve agreement:

| Safety Valve Priority | Progress in Quarter 1 and Quarter 2 (March to September 2022) |
|---|--|
| Manage demand appropriately by supporting more children and young people in mainstream settings and appropriate and timely ceasing of Education, Health and Care plans. | We are confident that the total number of EHCPs will be below the total at the start of the safety valve agreement in March 2022. We will continue to work with partners to ensure that children and young people's needs are met appropriately, while also looking to improve process and manage the number of EHCPs maintained by the local authority. This includes improvements in decision making and assessment, annual review and improve support to deliver preparation for adulthood outcomes |
| Reduce the costs of SEND | Procurement of new taxi contracts |

transport and support independence by improving strategic and individual commissioning and contract management. This will include reductions in the costs of out of city placements, a review of banding and SEND transport.

has been completed. The Home to School Transport policy is being applied more consistently. Processes to assess eligibility for transport have been improved to ensure greater clarity.

Two school transport officers have been recruited in order to improve oversight of the day to day operation of the contracts to allow improved contract management.

The York Independent Travel Training service (YILTS) aims to support SEN children and young adults in the transition from specialist high cost transport to using mainstream transport methods. Suspended due to the COVID pandemic we are now reintroducing the service and expect to see more children travelling independently in the current financial year.

Support the inclusion of children and young people with SEND in mainstream settings to improve outcomes and reduce requests for specialist provision, including the development of pre-and post-diagnosis support pathways.

The Pathfinder teaching school hub is providing CPD programmes, for mainstream staff, during the academic year 2022-23 and the council is partnering with the Autism Education Trust to develop support work on building capacity in mainstream.

Work on the Autism pathway is underway with the parent carer forum and the Autism Hub providing holiday and afterschool provision opened in August 2022.

The learning support hub has been

| | |
|---|--|
| | <p>developed as a single point of access for specialist teaching and outreach services. This model has been implemented from 5th September 2022 and has been designed to deliver time limited pieces of work to support capacity building in mainstream.</p> |
| <p>Create more enhanced resource provision in mainstream schools to support the transition of children with a primary need of autism and associated social, emotional and mental health needs to reduce out of city placements.</p> | <p>Plans to ensure sufficiency in mainstream and specialist settings are underway, including additional enhanced resource provision (ERP) places.</p> <p>Allocation additional banding to schools to enhance support in mainstream.</p> |
| <p>Increase the number of young people with SEND in employment in the 19-25 age range by preparing post 16 and post 19 for adulthood, with a focus on routes to employment post 19.</p> | <p>Work has started with post 16 providers to review the post 16 local offer and a commissioning framework is being developed which will focus on skills for employment.</p> |
| <p>Build on successful pathways out of education and into employment and training that have been implemented.</p> | <p>Continuing to build the network of inclusive employers in York.</p> <p>Established and deployed and new team of Specialist Learning and Employment Advisers; fully embedded and functional within the new wider Skills Team, as part of the 'People Directorate'.</p> <p>Successfully supported the progression and transition of learners with EHCP's or in care of the LA in the city, maintaining the well-established high standards,</p> |

| | |
|---|--|
| | both in 'offers of learning' (approximately 98% of total cohort in receipt) and in the numbers of learners who are not known (less than 1%). |
| Access relevant capital bid opportunities to enhance support in schools | A bid for additional £3 million SEN capital was submitted and has been approved. |

Consultation

9. In developing and delivering the safety valve agreement consultation has taken place with School Forum, parents and carers and children and young people. Quarter 3 will focus on the implementation of a communication plan to follow the lifetime of the Safety Valve agreement.

Options

10. Option 1: Do nothing

Option 2: Develop and implement the Safety Valve recovery plan

Analysis

11. Option 1 would result in an accelerating and unsustainable deficit on the high needs block of the DSG. If no corrective action was taken this would result in a cumulative deficit of over £34 million by 2025. This would add an unsustainable pressure on the council's general fund. Therefore, doing nothing would not be a reasonable action.

Option 2 has provided a framework for the council to address the in-year deficits in the high needs DSG through receiving additional financial support from the DfE. Successful implementation of the Safety Valve agreement will result in the cumulative deficit being written off in 2025. The actions identified in the Safety Valve agreement support the delivery of process and practice improvements which are designed to support improvements in the lived experience of children and young people with SEND in York through ensuring the right provision at right place and at the right time.

Council Plan

12. The delivery of the Safety Valve agreement supports the following priorities in the Council Plan, 2019-23:

A better start for children and young people through ensuring sufficiency of provision both in mainstream and specialist settings for children and young people with SEND.

Getting around sustainably through encouraging independent travel training (where appropriate for children and young people with SEND) and reducing the number of single occupancy taxi journeys. Well paid jobs and an inclusive economy through developing pathways to employment for young people with SEND.

Implications

13.

- **Financial** – Financial information on progress is contained in the main body of the report. At this point the local authority remains on track to meet the financial objectives set out in the agreement. The delivery of the objectives and outcomes of the Safety Valve agreement are essential to ensure the continued financial stability of the Local Authority.
- **Equalities** – all elements of the delivery of the Safety Valve Agreement are subject to Equalities Impact Assessment.

Risk Management

14. There is a risk related to the significant inflationary pressures in the overall economy which were not apparent when the original plan was agreed which could have impact in later years of the plan. Increased inflationary estimates have been factored in for 2022/23. This has proved possible without a detrimental effect on the year-end position but could be a risk in future years.

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Report
Approved



Date 03/10/22

Specialist Implications Officer(s)

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Wards Affected:

All

For further information please contact the author of the report

Background Papers:

Annex 1 York Safety Valve Agreement

Abbreviations:

| | |
|-------|---|
| DfE | Department for Education |
| DSG | Dedicated schools grant |
| SEND | Special educational needs and/or disabilities |
| EHCPs | Education, Health and Care plans |
| YILTS | York Independent Travel Training service |
| CPD | Continuing Professional Development |
| ERP | Enhanced resource provision |
| LA | Local Authority |