

Bath & North East Somerset Council

MEETING:	Corporate Audit Committee	
MEETING DATE:	5 th February 2025	AGENDA ITEM NUMBER
TITLE:	SEND Collaboration for BaNES (Safety Valve) – Risk Management Update	
WARD:	ALL	
AN OPEN PUBLIC ITEM		
List of attachments to this report:		
Appendix A – Key Risks		

1 THE ISSUE

- 1.1 This report gives an update on the Council's plans to manage the Dedicated Schools Grant (DSG) deficit position and progress being made in relation to the Safety Valve.
- 1.2 This report also forms part of a series of risk management update reports to the Audit Committee to give it assurance on the system of risk management. This specific risk area sits on the Council's Corporate Risk Register and was highlighted as a significant issue on the Council's Annual Governance Statement and as significant on the External Auditor's VFM report in 2024.

2 RECOMMENDATION

- 2.1 The Corporate Audit Committee is asked to –
Note the report.

3 THE REPORT

- 3.1 The Dedicated Schools Grant (DSG) is a ring-fenced budget distributed across four blocks: schools, early years, high needs, and central school services. Since 2019/20, the Council has exceeded the allocated funding, resulting in a deficit primarily within the high needs block, which supports services for individuals with special educational needs and disabilities (SEND).
- 3.2 To address this, the Department for Education (DfE) has introduced two programs: the Safety Valve (SV) and Delivering Better Value. These programs collaborate with local authorities to create recovery plans for financial sustainability. The SV program, specifically, provides financial support from the DfE.

- 3.3 In 2022/23, the Council successfully joined the SV program, with an agreed recovery plan and ministerial approval. B&NES secured £19.22m, receiving £7.68m in March 2023.
- 3.4 However, due to slippage, [the agreement with the DfE is under review](#), and grant payments have been suspended pending a revised agreement. In the 2023-24 financial year, the total paid under the agreement was £0.55m.
- 3.5 The Council was put into an Enhanced Monitoring pool, which meant it has received additional support from 3 x DfE appointed advisers. The Service also appointed ISOS Partners to review the original submitted plans, and requested and was granted dedicated support from the Council's Business Change Hub. External expertise was also granted to refine the financial modelling required.
- 3.6 With support from the four partners identified at 3.5 above, the Service redeveloped and refined its submission into three business cases, together with a dedicated financial modelling template, an overarching document and presentation describing the proposals for the programme.
- 3.7 The programme is now called the SEND Collaboration for BaNES.
- 3.8 Updated plans for the SEND Collaboration for BaNES were submitted to DfE on time on 24th May 2024. Detailed feedback was received from DfE advisers on 27th June 2024.
- 3.9 This feedback included the position statement at the time from the DfE in relation to the cumulative deficit at the end of the programme. This statement was that "*BANES does not set out proposals for clearing the cumulative deficit*" which at the time of the May submission was forecast to be £74,072,521 by 2030-31.
- 3.10 Following a review of the feedback, a date was agreed with DfE to re-submit the plans, taking into account the comments from the advisers. This was agreed as 1st October and the plans were submitted again on the 30th September 2024.
- 3.11 No further feedback on the plans has been provided by DfE and the Council is still awaiting a formal DfE response.
- 3.12 Internal audit reviewed the governance and programme management framework for the SEND Collaboration in Q2 and 3 2024, and the report in September 2024 judged there to be substantial assurance.
- 3.13 Over the past 5 years the growth in EHCPs and requests for EHCPs has grown significantly. The numbers of EHCP requests have increased by 125% over the 5-year period whilst the numbers of EHCPs granted has increased by 75%.
- 3.14 The spend on the High Needs Block (HNB) has increased over the same period £27m to £49m (81%) with an increase in funding allocated by the DfE from £24m to £37m (54%).
- 3.15 The SEND Collaboration for BaNES programme has robust governance in place:
- The Executive Group meets fortnightly to review progress, and reports regularly to ELT and to Business Change Steering Group.

- Programme Management support is provided by Business Change Hub.
- A fortnightly briefing is held with the lead member for Children's Services and the Executive Group is responsible for agreeing the updates to the Lead Member, the Children, Adults, Health and Wellbeing Policy Development and Scrutiny Panel, Informal Cabinet and Cabinet,
- The Executive Group also provides updates to the Local Area Inclusion Partnership (LAIP), Schools Forum and Schools Standards Board as required by those groups.

3.16 The programme has been organised into three main workstreams, delivering the seven actions identified in the submission. The Programme Manager has met with the leads of the workstreams to review the submitted plans and actions outstanding, and agree actions for the year ahead. It is recommended that this is repeated annually to ensure clarity of actions for the coming year, taking into account the activities and learning from the previous year.

3.17 A PowerBI dashboard has been developed, which complements the operational dashboards for the SEND team, which monitors progress against the targets set in the submitted plans.

3.18 A spreadsheet has been developed and is being maintained by Finance colleagues which models the impacts on placements and finances of our plans.

3.19 There are several areas which are outside of the control of the Local Authority. These are:

- Authorisation from Department for Education (DfE) of the re-submitted plans
- Authorisation from DfE of the development of the Sulis AP and Green Ways SEN Academies

3.20 Discussions are ongoing with the DfE to ascertain:

- Whether / when the plans may be signed by DfE and remaining tranches of funding received.
- When a clear decision will be made for the development of the Sulis AP and Green Ways SEN Academies

3.21 So far no clear decision on either of these has been received from DfE.

3.22 The programme continues to work to deliver the actions identified in the plans that are within the control of the Local Authority.

4 STATUTORY CONSIDERATIONS

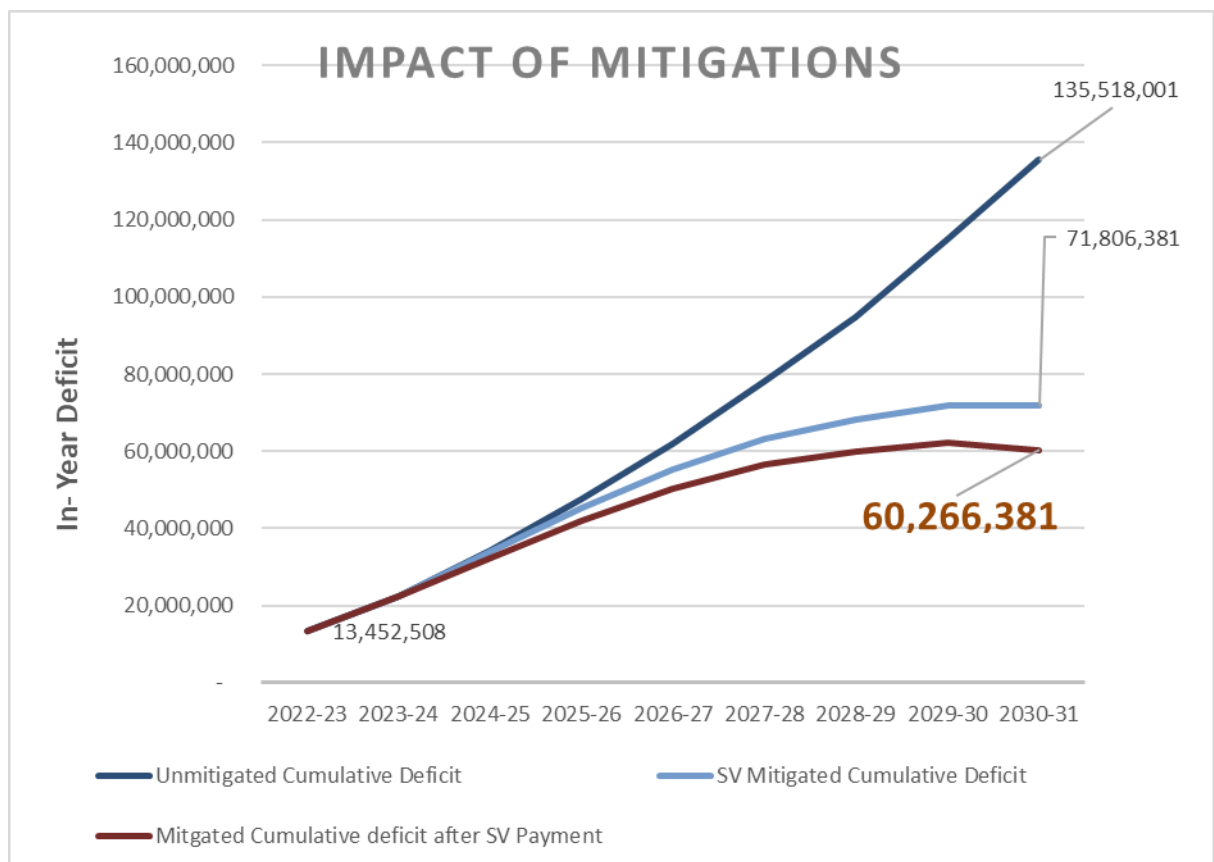
4.1 There are no specific statutory considerations related to this report, other than the statement at 3.9 above which references the cumulative deficit forecast to remain on the DSG at the end of the programme. This currently is subject to a statutory override, which is at the discretion of the Minister. There has been no clear statement from DfE about their position in relation to this override.

5 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

5.1 This is an information report so there are no direct implications arising from this report. However, there are significant financial risks associated with this issue and these are set out in the report.

5.2 The forecast financial analysis indicated that if the current trajectory continued, the Council would be holding a cumulative deficit of £135,518,001 against the DSG by 2030-31.

5.3 Assuming the SEND Collaboration for BaNES is successful, and assuming that the capital projects are able to deliver to time, the cumulative deficit is forecast to be £60,266,381 (see graph below).



5.4 The SEND Collaboration plans are intended to bring the High Needs Block of the DSG back into balance year on year by 2030-31, and will see 230 new EHCPs come on stream by that year. The number of new EHCPs is forecast to peak in 2025-26, and reduce year-on-year after that.

5.5 The total number of EHCPs supported by the service is forecast to be 2,991 by 2030. This number of EHCPs will need to be properly supported by the statutory service.

6 RISK MANAGEMENT

- 6.1 The risks relevant to the Council are set out in the report, in the main they are financial.
- 6.2 All risks are held on a central log, regularly reviewed by the SRO and programme manager.
- 6.3 The key risks are attached at Appendix A.

7. EQUALITIES

- 7.1 The programme is anticipated to have a positive impact on children and young people with disabilities, in particular those with autism and social and emotional mental health needs. An equalities impact assessment has been completed and is available here: <https://beta.bathnes.gov.uk/sites/default/files/EQIA-SEND-Safety-Valve.pdf>

8. CLIMATE CHANGE

- 8.1 The proposals will support the climate emergency declaration by reducing the numbers of children placed in out of area education settings, thereby reducing the commuting time to those settings on home to school transport.

9. OTHER OPTIONS CONSIDERED

- 9.1 This is an update report, no decisions or recommendations are being proposed so no other options are being considered.

10 CONSULTATION

- 10.1 Consultation has been carried out with the Section 151 Finance Officer and Director of Financial Services, Assurance and Pensions.
- 10.2 Engagement has been ongoing with the Parent Carer Forum via individual meetings and attendance at wider meetings. The Local Area Inclusion Partnership (LAIP) has been involved in the plans and is a key part of the SEND Collaboration for BaNES governance.

Contact person	<p>Chris Wilford – Director of Education & Safeguarding</p> <p>Mary Kearney-Knowles – Director of Children’s Services</p> <p>Mandy Bishop – Executive Director - Operations</p>
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Background papers	
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Please contact the report author if you need to access this report in an alternative format
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Appendix A: Key risks

The key risks and proposed mitigations against the programme are as follows (a detailed risk log is being maintained by the programme)¹:

Risk	Related Workstreams	Score - unmitigated	Score - mitigated	Mitigations	Actions	Owner
There is a risk that the DfE will not sign off our updated plans	Capital and sufficiency planning. System of SEND Support. SEND Statutory System.	12	6	Close working with DfE advisers has resulted in substantially revised plans.	Programme to continue into delivery to support the actions identified within the business cases.	Chief Executive, Section 151 Officer, Director of Children's Services and Education
Delays to the capital programme	Capital and sufficiency planning. System of SEND Support. SEND Statutory System.	16	9	We recognise the centrality of delivering on our capital plans, and the potentially significant financial impacts any delays to the programme would have.	We are closely monitoring the delivery of the programme, and in the event of any delays which would have a significant impact on our savings progress, we would quickly mobilise to put in place temporary provisions to mitigate the impacts. We would then closely monitor the situation to ensure we continue to deliver	Director of Education and Safeguarding
Data management is improving, but risks remain around quality and reliability of	Capital and sufficiency planning. System of SEND Support. SEND Statutory	8	3	SEN2 data has been submitted March 2024. There has been a full programme of training delivered to	Plans are in place to develop a children's data model which will encompass the entirety of Children's Services and Education. This will	Director of Education and Safeguarding and Business Intelligence Manager

¹ See Appendix 3 for details on how risks are being calculated across the programme

Risk	Related Workstreams	Score - unmitigated	Score - mitigated	Mitigations	Actions	Owner
SEND data.	System.			staff centred on the importance of data accuracy and quality.	provide a single view of a child. Detailed reports will sit within the data model which will allow for daily, weekly and monthly tracking of the success of the actions in our plans.	
Recruitment and retention, budget and capacity remain a risk within the SEND statutory team.	SEND Statutory System.	16	9	A full review of the SEN staffing requirement has been completed. Market analysis has been completed on management costs.	Interim managers are in post. SEND and AP advice service once operational will support demand management within the statutory team.	Head of SEND
There is a risk that the plans will not deliver the required savings within the timeframe specified by DfE	Capital and sufficiency planning. System of SEND Support. SEND Statutory System.	12	6	Governance arrangements agreed with oversight from ELT and the LAIP.	Data development underway. Appropriate programme management arrangements being developed.	Chief Executive
Contributions to pooled budget arrangements for new cases need to be rebalanced.	SEND Statutory System	8	3	Escalations have been completed with senior ICB and social care colleagues.	Discussions on future pooled budget arrangements are underway.	Chief Executive