



HOUSE OF COMMONS

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Gillian Keegan

URGENT INTERVENTION INTO SAFETY VALVE PROPOSALS

I write urgently to amplify the concerns raised by Head Teachers in my Constituency of Bournemouth East with BCP Council's actions in the preparation of its Safety Valve proposal and its continual mismanagement of the Dedicated Schools Grant. You have already met with my Bournemouth West colleague, Rt Hon Sir Conor Burns MP, who has conveyed the same concerns from school leaders in his own constituency.

When the authorities of Bournemouth, Christchurch and Poole combined in April 2019, overspend from the preceding councils resulted in a deficit of £3.6m. This deficit grew tenfold to £36m by March 2023 and is now expected to reach a cumulative £63m by March, given the in-year high needs overspend of £27m for 2023/24.

What I am hearing very clearly from the meetings I have had and the letters I have received from school leaders and parents, is that BCP Council have failed to take timely and effective action to address their High Needs Block overspend over the last 4 years. In the School Funding Consultation 2020/21 (published in December 2019) it was stated that the High Needs Block funding was under pressure due to:

- High level of permanent exclusions for younger children in recent years, with this trend continuing in the academic year 2019/20.
- Increasing numbers of pupils with EHCPs.
- Increasing complexity of needs inflating the average cost of an EHCP.
- Local specialist provision becoming full, with greater use of higher cost Independent and Non-maintained Special School (INMSS) and bespoke provision.

Similar statements have been made in every consultation document since and its apparent that the Local Authority have failed to address any of the above issues over the last 4 years. Amongst school leaders, there is no confidence in them being able to develop and implement a DSG management plan and meet its statutory obligations over the short, medium, or long term, whether they are part of the Safety Valve intervention programme, or not.

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The DfE invited BCP Council to join Safety Valve in July last year, which the authority accepted (as revealed by a recent scrutiny committee), with very little in the way of due diligence. To address the overspend on children with high needs, the proposal put forward by BCP Council is to transfer 1% from the Schools Block to the High Needs Block every year for 15 years. If accepted this would have a significant impact on the education provision for local children and the level of funding received by the schools, whilst, having minimal impact on the deficit considering the trajectory of its growth under BCP.

Parents will find it more difficult to obtain an Education and Health Care Plan for their children, and more children with high needs will be accommodated in mainstream schools. The net effect would be that schools will have to manage with less funding, whilst at the same time being expected to do more.

On two separate occasions the Schools Forum has overwhelmingly rejected any transfer of funds between the Schools Block and the High Needs Block. At a recent meeting the Local Authority advised members that a disapplication request had already been made to the Secretary of State for a transfer of 0.5% between the blocks, in anticipation of not gaining Schools Forum agreement.

Consideration was then given to the mechanism for adjusting schools' budgets to accommodate such a transfer. The mechanism requires a reduction in the Minimum Per Pupil Funding Level of 0.45%. This is contrary to the outcomes of the funding consultation undertaken in November, reducing funding below the MPPFL.

Budgets submitted by school leaders to the Education & Skills Agency at the end of the last academic year were based upon assumptions made about the level of funding that would be received and that under the National Funding Formula, the MPPFL would indeed be received. BCP Council's proposal undermines this assumption and serves to force schools to accept less funding. By doing so it will inevitably result in reductions in staffing levels, resourcing and building maintenance, an increase in class sizes, and a reduction in the range of options at GCSE and A level being offered.

BCP Council's approach to Safety Valve seems to have been seen as an opportunity to mitigate their incompetence by raiding school budgets with zero consideration of the impact on local education or the pressure that will be placed on schools.

May I also draw your attention to the failings of BCP Council during the process of preparing their Safety Valve proposal. A recent scrutiny meeting highlighted that no Equality Impact Analysis has been carried out, there were no commitments from Health partners (essential for the delivery of this proposal), no consultation, no evidence that it works or that BCP had considered outcomes from local authorities who were already part of the safety valve programme, and a number of other failings detailed in the attached appendix, provide to me by school leaders.

I respectfully ask that you do not approve BCP Council's disapplication request to transfer 0.5% from the Schools Block to the High Needs Block and that Safety Valve negotiations with BCP are immediately paused. It is unacceptable for a local authority to strongarm schools, who manage their own budgets effectively, to accept funding below the MPPFL, because the LA is unable to the same.

Yours sincerely,
