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Date: 13/03/2024

Dear Graham Farrant,

## **UPDATE ON BCP'S SAFETY VALVE NEGOTIATIONS**

Following BCP's involvement in the Safety Valve programme, we are writing to set out the next steps.

BCP's proposal does not at present meet the criteria for the Safety Valve programme. As a reminder, the criteria for a proposal to be sufficient for an agreement are as follows:

- 1. It should improve support for children and young people with SEND, reforming systems such that they function effectively and address current weaknesses.
- 2. It should control your deficit and reach an in-year balance (as a minimum) on your DSG, as quickly as reasonably possible.
- 3. The plan should be deliverable, with clear governance and support throughout implementation.
- 4. The residual ask of the Department to contribute to the historic deficit must be within affordable limits, using existing Safety Valve agreements as a general benchmark.

In particular, BCP's proposal included an ask of the Department significantly above the level which we could reasonably afford in comparison to other agreements. Ministers have therefore decided that we cannot enter into an agreement with your LA at this time.

However, we recognise that your DSG deficit as forecasted poses a substantial risk to your authority. We therefore propose to continue to work with you over the coming months, alongside colleagues from DLUHC, with the aim of finding an appropriate solution. We will start this process on Thursday 14<sup>th</sup> March 2024, when we have arranged to meet with BCP and DLUHC colleagues to discuss your overall financial position.

In the meantime, you will want to continue to develop your plans to bring BCP to a more sustainable high needs system. Our advisors will remain available to you for discussions, should there be further areas for development on your proposals.

We understand that this news will be disappointing, and as I have said we will be in touch shortly about next steps.

We are aware of some media attention surrounding your LA specifically, and expect there will be further such attention when BCP are not included in the next batch of published Safety Valve agreements. We would be happy to work with you on lines to take about this.

To be clear, this letter does **not** include the outcome of your capital application, which remains under assessment. Our capital colleagues hope to be able to confirm the outcome of your application (including Ministerial decision) before the end of the financial year.

If you have any questions in the meantime, please do get in touch with us through the Safety Valve programme mailbox (<u>Safetyvalve.programme@education.gov.uk</u>).

Yours sincerely,

Tom Goldman Head of Funding Policy Unit