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BCP Civic Centre  
Bourne Avenue  
Bournemouth  
BH2 6DY



Rt Hon Gillian Keegan MP  
Secretary of State for Education  
House of Commons  
London SW1A 0AA

Date: 7<sup>th</sup> May 2024  
Our ref: KD/VS  
Contact: Councillor Vikki Slade  
Email: [Vikki.Slade@bcpcouncil.gov.uk](mailto:Vikki.Slade@bcpcouncil.gov.uk)

(sent via email to [gillian.keegan.mp@parliament.uk](mailto:gillian.keegan.mp@parliament.uk))

Dear Secretary of State,

**Re: BCP (Bournemouth, Christchurch, and Poole) Council**

I am writing to draw your attention to the huge financial deficit that is being caused to BCP Council by the increasing service demands for support of children and young people with Special Educational Needs and Disabilities (SEND), the requirements under Education, Health, and Care Plans, (EHCP's) and the budget provided by government which is too small to meet those needs.

The current statutory override requires that we do not fund those services from General Fund sources, and that any deficit is held in a separate account, for which there is a statutory override in place until 31 March 2026. After that, government will have to decide who picks up the outstanding bill for any accrued overspend, but we already know this is not affordable for the Council to fund.

This is causing huge anxiety to our council as the accumulated deficit is currently standing at £63m, and is forecast to grow significantly, to over £90m, during the current financial year. We urgently need the statutory override to be extended beyond 31 March 2026 to avoid a cliff-edge ending to the override, which will result in this Council being declared effectively bankrupt as the accumulated deficit already exceeds our available reserves (£38m), if this falls to the Council to fund.

This letter is not directly related to the council's base revenue budget position of either the General Fund or Housing Revenue Account but relates entirely to the annual deficit in the grant funding from the Department for Education (DfE) to meet the cost of the councils High Needs expenditure.

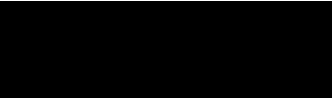
The council was previously part of the Delivering Better Valued in SEND programme and in 2023 started a Safety Valve conversation with DfE. An agreement was not possible as the Councils 15-year recovery programme, which was endorsed by the DfE SEND and finance advisors as robust, was not within the normal 5-to-7-year timeframe to enable an agreement to be reached.

In addition to this accumulated deficit potentially crystalising from 1 April 2026, we are also facing a severe shortage of cash, which is likely to create a financial emergency for the Council. Our Cabinet will be considering the position at its meeting in May, but from current forecasts, it looks likely that we may not be able to cashflow the deficit for the 2025/26 financial year. This could be resolved by DfE or DLUHC providing the cash to fund the accumulated deficit.

I am therefore writing, at the request of our Council, to draw these issues to your attention and to request that you urgently consider the support that you can give BCP Council to manage this shortfall in funding. We would urge you to extend that period of protection from the statutory override well beyond March 2026, and to consider solutions to prevent the cashflow crisis that I have outlined above.

I would welcome an opportunity to meet with you at your earliest convenience.

Yours sincerely



Cllr Vikki Slade  
**Leader and Cabinet Member for Development, Growth & Regeneration**  
**BCP Council**

cc Mr. David Johnston OBE MP, Minister for Children Families and Wellbeing  
Mr. Graham Farrant, CEO – BCP Council