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Sefton Council 

MEETING: CABINET
DATE: Thursday 5th March, 2020
TIME: 10.00 am
VENUE: Committee Room, Town Hall, Bootle

DECISION MAKER: **CABINET**

Councillor Maher (Chair)
Councillor Atkinson
Councillor Cummins
Councillor Fairclough
Councillor Hardy
Councillor John Joseph Kelly
Councillor Lappin
Councillor Moncur
Councillor Veidman

COMMITTEE OFFICER: Paul Fraser
Senior Democratic Services Officer
Telephone: 0151 934 2068
E-mail: Paul.fraser@sefton.gov.uk

The Cabinet is responsible for making what are known as Key Decisions, which will be notified on the Forward Plan. Items marked with an * on the agenda involve Key Decisions

A key decision, as defined in the Council's Constitution, is: -

- any Executive decision that is not in the Annual Revenue Budget and Capital Programme approved by the Council and which requires a gross budget expenditure, saving or virement of more than £100,000 or more than 2% of a Departmental budget, whichever is the greater
- any Executive decision where the outcome will have a significant impact on a significant number of people living or working in two or more Wards

If you have any special needs that may require arrangements to facilitate your attendance at this meeting, please contact the Committee Officer named above, who will endeavour to assist.

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A G E N D A

Items marked with an * involve key decisions

<u>Item No.</u>	<u>Subject/Author(s)</u>	<u>Wards Affected</u>	
1	Apologies for Absence		
2	Declarations of Interest Members are requested at a meeting where a disclosable pecuniary interest or personal interest arises, which is not already included in their Register of Members' Interests, to declare any interests that relate to an item on the agenda. Where a Member discloses a Disclosable Pecuniary Interest, he/she must withdraw from the meeting room, including from the public gallery, during the whole consideration of any item of business in which he/she has an interest, except where he/she is permitted to remain as a result of a grant of a dispensation. Where a Member discloses a personal interest he/she must seek advice from the Monitoring Officer or staff member representing the Monitoring Officer to determine whether the Member should withdraw from the meeting room, including from the public gallery, during the whole consideration of any item of business in which he/she has an interest or whether the Member can remain in the meeting or remain in the meeting and vote on the relevant decision.		
3	Minutes of the Previous Meeting Minutes of the meeting held on 13 February 2020		(Pages 5 - 10)
* 4	St. Teresa's Catholic Infant School: Outcome of Stage One Consultation Report of the Interim Director of Children's Social Care and Education	Birkdale	(Pages 11 - 60)
* 5	Revenue and Capital Budget Update 2019/20 Report of the Executive Director of Corporate Resources and Customer Services	All Wards	(Pages 61 - 78)

6 **Local Government Association Peer Review
– Action Plan Update**
Report of the Chief Executive

All Wards

(Pages 79 -
94)

THIS SET OF MINUTES IS NOT SUBJECT TO "CALL-IN"

CABINET

MEETING HELD AT THE BIRKDALE ROOM, TOWN HALL, SOUTHPORT ON 13 FEBRUARY 2020

PRESENT: Councillor Maher (in the Chair)
Councillors Atkinson, Cummins, Fairclough,
John Joseph Kelly, Lappin, Moncur and Veidman

ALSO PRESENT: Councillor Sir Ron Watson

108. APOLOGIES FOR ABSENCE

An apology for absence was received from Councillor Hardy.

109. DECLARATIONS OF INTEREST

No declarations of any disclosable pecuniary interests or personal interests were received.

110. MINUTES OF THE PREVIOUS MEETING

Decision Made:

That the Minutes of the meeting held on 6 February 2020 be approved as a correct record.

111. THE PRUDENTIAL CODE FOR CAPITAL FINANCE IN LOCAL AUTHORITIES - PRUDENTIAL INDICATORS 2020/21

The Cabinet considered the report of the Head of Corporate Resources advising that the CIPFA Prudential Code for Capital Finance in Local Authorities was introduced following the Local Government Act 2003; that it detailed a number of measures / limits / parameters (Prudential Indicators) that were required to be set each financial year; and that the approval of these limits would provide a benchmark to measure actual performance against, to help ensure that the Council complied with relevant legislation, was acting prudently and that its capital expenditure proposals were affordable.

The report indicated that the Council was required to approve Prudential Indicators for the following items:

- (i) Capital Expenditure (Section 2);
- (ii) Financing Costs/Net Revenue Stream (Section 3);
- (iii) Capital Financing Requirement (Section 4);
- (iv) External Debt (Section 5-7); and
- (v) Treasury Management Indicators (Section 8).

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Decision Made:

That the Council be recommended to:

- (1) set the Prudential Indicators, as detailed in the report, as the basis for compliance with The Prudential Code for Capital Finance in Local Authorities;
- (2) note that the relevant Prudential Indicators will be revised as required and that any changes will be submitted to Cabinet and then to Council for approval;
- (3) note that the estimates of capital expenditure may change as grant allocations are received; and
- (4) delegate authority to the Head of Corporate Resources in conjunction with the Cabinet Member – Regulatory, Compliance and Corporate Services to manage the Authorised Limit and Operational Boundary for external debt as detailed in Section 5 of the report.

Reasons for Decision:

To enable the Council to effectively manage its Capital Financing activities and comply with the CIPFA Prudential Code for Capital Finance in Local Authorities. The prudential indicators for the forthcoming and following years must be set before the beginning of the forthcoming year.

Alternative Options Considered and Rejected:

None.

112. TREASURY MANAGEMENT POLICY AND STRATEGY 2020/21

The Cabinet considered the report of the Head of Corporate Resources that set out the following proposed policy and strategy documents, namely, the Treasury Management Policy, the Treasury Management Strategy and the Minimum Revenue Provision Policy Statement.

The report indicated that the Council had adopted CIPFA's revised 2017 Code of Practice on Treasury Management in the Public Services which recommended the production of annual Treasury Management Policy and Strategy Documents; and that in addition, the Council had adopted and incorporated into both documents:

- (a) the requirements of the 2017 Prudential Code for Capital Finance in Local Authorities; and
- (b) an Investment Strategy produced in line with the Ministry of Housing Communities and Local Government (MHCLG) Statutory Guidance on Local Government Investments 2018. This set out the manner in which the Council would manage its investments, giving priority to

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the security and liquidity of those investments.

Decision Made:

That the Council be recommended to approve:

- (1) the Treasury Management Policy Document for 2020/21;
- (2) the Treasury Management Strategy Document for 2020/21; and
- (3) the Minimum Revenue Provision Policy Statement 2020/21.

Reasons for Decision:

The Council has adopted CIPFA's Code of Practice on Treasury Management in the Public Services. The Code requires that the Council sets a policy and strategy for the effective operation of the Council's Treasury Management function during the financial year. This will ensure that cash flow is adequately planned, surplus monies are invested commensurate with the Council's risk appetite whilst providing adequate portfolio liquidity, and that the borrowing needs of the Council are properly managed to ensure that the Council can meet its capital spending obligations.

Alternative Options Considered and Rejected:

None.

113. CAPITAL STRATEGY 2020/21 TO 2024/25

The Cabinet considered the report of the Head of Corporate Resources indicating that the Capital Strategy set out the long-term context in which capital expenditure and investment decisions were made and considered the impact of these decisions on the priorities within the Council's Core Purpose and Framework for Change Programme and the promises made in the 2030 Vision for Sefton; that at the heart of the Capital Strategy was the Council's core objective to continue to deliver financial sustainability; and that as such, a flexible capital investment programme was more important than ever as a method to stimulate and enable economic growth and strategic investment, ensuring best use of existing assets and of generating future income streams to pay for and deliver day to day services.

The Capital Strategy, attached to the report as Annex A, was a statutory document that the Council was required to have in place and be reviewed on an annual basis.

Decision Made:

That the Council be recommended to approve the Capital Strategy as set out in Annex A of the report.

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Reasons for Decision:

The Capital Strategy is a key policy document for Sefton Council and follows guidance issued in the Prudential Code for Capital Finance in Local Authorities (2017 Edition).

Alternative Options Considered and Rejected:

None.

114. ROBUSTNESS OF THE 2020/21 BUDGET ESTIMATES AND THE ADEQUACY OF RESERVES – LOCAL GOVERNMENT ACT 2003 - SECTION 25

The Cabinet considered the report of the Head of Corporate Resources indicating that to comply with statute, the Chief Financial Officer was required to report to Council prior to the approval of the budget and the setting of the Council Tax, to give assurance that the budget was robust and that there were adequate reserves and balances.

The report also provided information on the following factors that had been considered:

- Financial Environment for Local Government and Sefton MBC
- Impact of previous years' budget - 2019/20
- Central Government funding
- Maintaining service delivery
- Resources to deliver change
- Inflation and annual cost increases
- Financial management
- CIPFA Financial Resilience Index and the CIPFA Financial Management Code
- Management of risk
- Capital Strategy and Strategic Investment
- External advice
- Reserves Strategy for 2020/21 and beyond

The report concluded that as a result of considering the issues contained within the report, it was the view that the budget proposed was a robust budget package and the opinion provided was in accordance with Section 25 of the Local Government Act 2003.

Decision Made:

That the Council be recommended to:

- (1) note that the Local Government Act 2003, (section 25 as amended) requires the Chief Financial Officer to report formally on the following issues:

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- (a) an opinion as to the robustness of the estimate made and the tax setting calculations;
 - (b) the adequacy of the proposed financial reserves; and
 - (c) the production of longer-term revenue and capital plans; and
- (2) have regard to the matters raised in this report during the final stages of determining the budget for 2020/21.

Reasons for Decision:

The Local Government Act 2003, (section 25 as amended) requires the Chief Financial Officer to report formally on the issues contained within this report.

Alternative Options Considered and Rejected:

None.

115. REVENUE AND CAPITAL BUDGET PLAN 2020/21 – 2022/23 AND COUNCIL TAX 2020/21

The Cabinet considered the report of the Chief Executive and the Head of Corporate Resources that provided:

- an assessment of the Council's current financial position and approach to the 2020/21 Budget Plan and preparation for the two-year budget period 2021/22 to 2022/23;
- an update on the Government's announcement of resources that were available to the Council for 2020/21;
- the Council's current financial position and the assumptions built into the Medium-Term Financial Plan;
- the proposed Budget for 2020/21; and
- the proposed Capital Programme for 2020/21.

The report set out the financial strategy of the Council and the national and local financial context within which it was operating and indicated that the Council had a statutory requirement to remain financially sustainable and to balance its budget every year.

The report also indicated that the Council's Framework for Change Programme was a comprehensive and ambitious programme that sought to support the delivery of the Council's core purpose; and that as would be expected with a programme of this size and complexity that spanned a number of financial years, the detailed proposals had been and would

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continue to be the subject of change as they were developed and ultimately implemented.

Decision Made:

That the Council be recommended to:

- (1) note the update of the Medium-Term Financial Plan for the period 2020/21 to 2022/23;
- (2) approve the Budget Plan for 2020/21, including the Revenue Budget, allocation of specific grants (section 11), Fees and Charges (Appendix C) and Capital Programme (Appendix D), and authorise officers to undertake the necessary actions to implement the recommendations;
- (3) approve the temporary use of the Transforming Sefton Earmarked Reserve (up to £0.700m) to fund the initial borrowing costs in 2020/21 associated with making an upfront payment to the Merseyside Pension Fund; and note that the Reserve will be repaid from savings made in 2021/22 and 2022/23 as a result of the upfront payment; and
- (4) approve the commencement of all appropriate activity within Framework for Change 2020, as detailed in the report, including, for example, consultation with employees and engagement with partners and contractual and policy changes; and
- (5) the Head of Corporate Resources and his staff be thanked for the production of the detailed reports for consideration at this meeting and their overall efforts in formulating the Council's budget for consideration by Council.

Reasons for Decision:

The recommendations in the report provide the basis on which the Budget Plan will be balanced for the financial year 2020/21 and will ensure that the Council's statutory obligations are met. In addition, it begins the planning for the financial strategy for the following two years to give the Council sufficient time to identify specific proposals to deliver financial sustainability over that period.

Alternative Options Considered and Rejected:

The Council is legally required to set a balanced budget each year and the report has taken due consideration of all financial issues in its development. No additional options are available for inclusion.

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Report to:	Cabinet	Date of Meeting:	5 March 2020
Subject:	St Teresa's Catholic Infant School: Outcome of Stage One Consultation		
Report of:	Interim Director of Children's Social Care and Education	Wards Affected:	Birkdale; and neighbouring wards where pupils reside
Portfolio:	Cabinet Member - Children, Schools and Safeguarding		
Is this a Key Decision:	Yes	Included in Forward Plan:	Yes
Exempt / Confidential Report:	No		

Summary:

The Governing body of St Teresa's Catholic Infant School have written to the local authority stating that they have been unable to set a balanced budget and requesting that the possibility of a merger with their neighbouring Catholic primary school, Our Lady of Lourdes Catholic Primary School, be explored.

The current financial position indicates that the school is heading for a forecast in-year deficit of £0.050m; and based on reducing numbers, as indicated by the recent October 2019 census data (pupil numbers reduced by nine compared to the October 2018 census), this position will worsen to a deficit of £0.120m by the end of 2020/21; and to a deficit of £0.200m by the end of the 2021/22 financial year.

On 3 October 2019 Cabinet agreed to begin Stage One of a statutory consultation exercise and the purpose of this report is for Cabinet to consider the outcome of that consultation and also invite Cabinet to agree to next steps. The Stage One proposal had set out a plan to close St. Teresa's Catholic Infant School and to expand provision of our Lady of Lourdes Catholic Primary School.

The Archdiocesan Education Department has confirmed that it was properly consulted on the proposal. Archdiocesan officers were involved in the consultation meetings and have engaged with the local authority and schools during the statutory process to date. The Archdiocese can confirm the provision of sufficient primary phase Catholic school places in the area based on the recommendation made in this report.

All consultation responses are available, and a summary of the issues raised are available in Annex B, and full details in Annex C.

Recommendation(s):

Cabinet is recommended to:

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1. Consider and take account of the responses to the statutory consultation process.
2. Agree that the option to merge St Teresa's Catholic Infant School with Our Lady of Lourdes catholic Primary School is not progressed.
3. Agree to defer decision regarding the future of St Teresa's Infant school to 28th May 2020 Cabinet to allow options brought forward as a result of the consultation to be fully explored by the Governing Body of St. Teresa's, with support by the Archdiocese of Liverpool and the Local Authority.

Reasons for the Recommendation(s):

The Local Authority has the power to consider all options and to allow for further consultation including closing a maintained school following the statutory process detailed in the report.

Alternative Options Considered and Rejected: (including any Risk Implications)

Alternative options have been explored by the governing body with support from Officers prior to the governing body making their request. It was felt that more time could be given to consider the alternative option presented by the Governing Body of St Teresa's.

What will it cost and how will it be financed?

(A) Revenue Costs

Based on reducing pupil numbers over the last two years, and currently 47% surplus places, St Teresa's viability is seriously compromised, with forecast annual deficits anticipated of £0.050m in 2019/20; £0.070m in 2020/21 and £0.080m in 2021/22; this will mean a cumulative deficit at the end of 2021/22 of £0.200m.

The Governors have reviewed the budgets and made some saving on staffing but despite these changes the deficit forecast remains. There do not appear to be any other realistic options to either increase funding or further reduce expenditure.

The residual deficit at the point of closure and any associated redundancy costs will need to be funded by the Council

(B) Capital Costs

N/A

Implications of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets):

Staff from Corporate Finance and Corporate Personnel together with Business Support will continue to provide support through the consultation exercise.

Legal Implications:

Any proposal to close the school will follow the requirements of the School Organisation (Establishment and Discontinuance of Schools) Regulation 2013.

Equality Implications:

There are no equality implications.

Contribution to the Council’s Core Purpose:

Protect the most vulnerable: All children including those with SEND and vulnerable groups will still be able to attend a Catholic school rated good.

Facilitate confident and resilient communities: Children and their families will maintain a relationship with their parish church. The recommendation to defer the decision on the future of St. Teresa’s School will maintain the status quo for the time being and will not affect this core purpose.

Commission, broker and provide core services: The recommendation to defer the decision on the future of St. Teresa’s School will maintain the status quo for the time being and will not affect this core purpose.

Place – leadership and influencer: N/A

Drivers of change and reform: N/A

Facilitate sustainable economic prosperity: N/A

Greater income for social investment: N/A

Cleaner Greener N/A

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Head of Corporate Resources (FD5934/20.) and the Chief Legal and Democratic Officer (LD.4118/20) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

Stage One consultation on the proposal has taken place in accordance with statutory requirements. As part of the consultation process meetings were held with governors, parents of pupils and staff in the school and their trade union representatives..

Implementation Date for the Decision

Immediately following the expiry of the “call-in” period for the Minutes of the Cabinet meeting.

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Contact Officer:	Tricia Davies
Telephone Number:	0151 934 3428
Email Address:	tricia.davies@sefton.gov.uk

Appendices:

Annex A Consultation Leaflet – St Teresa’s
Annex B. Consultation Summary
Annex C. St. Teresa’s OLOL – Consultation outcome

Background Papers:

Opening and closing maintained schools: statutory guidance for proposers and decision-makers, November 2019, Department for Education.

<https://www.gov.uk/government/publications/school-organisation-maintained-schools>

Consultation responses

1. Background

- 1.1 The background to this consultation was detailed in the report to cabinet dated 3rd October 2019.
- 1.2 Cabinet agreed to commence Stage One of a statutory consultation process relating to the future operation of St Teresa’s Catholic Infant School via the publication of a consultation paper agreed between the Council and the Archdiocese of Liverpool. A copy of this consultation leaflet is attached to this report at Annex A. The recommended proposal was for the closure of St Teresa’s Catholic Infant School and the related expansion of Our Lady of Lourdes Catholic Primary School.

2 Consultation Process

- 2.1 In accordance with section 16(3) of the Education and Inspections Act 2006 a proposer of a school closure must have regard to any guidance issued by the Secretary of State. The following bodies and individuals were consulted:

Parents/carers of pupils at St Teresa’s Infant School and Our Lady of Lourdes Catholic Primary School
Parents of pupils who had applied for places at the schools at the start of the consultation period
Staff at St Teresa’s and Our Lady of Lourdes
Governing bodies of St Teresa’s and Our Lady of Lourdes

Trade Union Representatives
Sefton schools
Ward Councillors
Directors of neighbouring local authorities
Local MP
General consultation invites on Sefton Council's website

- 2.2 The consultation process was presented to the Public Engagement and Consultation Panel on 10 October 2019.
- 2.3 All parents at both schools received a letter and a copy of the consultation leaflet mentioned above. The consultation also consisted of meetings with staff, governors and families, and provided the opportunity for discussion and written representation.

3. Outcome of the Consultation

- 3.1 During the consultation period, meetings have been held with interested parties, The Stage One consultation period ran from 21 October until 6 December 2019. An extra week was allowed for half term.
- 3.2 Consultation Meetings with Staff, Governors and Parents/carers at St Teresa's on 5 November 2019 and Our Lady of Lourdes on 6 November 2019

Three separate meetings were held on each evening for staff, governors and parents/carers. At all of the meetings, copies of the presentation "Proposals for St Teresa's/Our Lady of Lourdes", dated 5th November 2019 were circulated.

Copies of the minutes of all the consultation meetings have been posted on the Council website on the School Organisation page within Schools and Learning.

3.3 Online and written responses to the consultation

A total of 422 responses were received to the consultation; 318 from Sefton webforms, 60 from emails and 44 were written responses submitted on the form attached to the consultation document.

A breakdown of these responses is shown below:

Parent/carer - 155
Staff - 70
Governor - 13
Local resident/Other - 184

3.4 Alternative proposal from the Governors of St Teresa's Catholic Infant School

On 18th December 2019 the governors of St Teresa's Catholic Infant School submitted their full alternative proposal in response to the consultation which ended on 6th December 2019. The proposal had been raised during the consultation period, but this submission provided more details.

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This proposal would be considered a significant change under or a “prescribed alteration” and are governed by The School Organisation (Prescribed Alterations to Maintained Schools) (England) Regulations 2013. For this proposal to be considered the statutory process would have to start again, it would have to be instigated by the governing body of St Teresa’s rather than the local authority and have the support of the Arch diocese. A statutory process can take several months to complete which means there may not be enough time to do this prior to September 2020.

On the 23rd February 2020 the governing body sent a further proposal to the local authority outlining their proposal to remain as an infant school and expand the nursery provision to take in two-year olds. This would need further exploration in terms of finance and feasibility by the local authority but is unlikely to need further statutory consultation.

4 Financial Position

- 4.1 St Teresa’s Catholic Infant School has been struggling financially for a number of years and the Governing Body has worked hard to reduce costs and set a balanced budget.
- 4.2 St Teresa’s Catholic Infants School has a forecast deficit for 2019/20 of £0.050m. This is after reducing its budgets as far as possible and after agreeing to share a Headteacher from September 2019 with Our Lady of Lourdes Catholic Primary School. The school has seen declining numbers in recent years leading to reduced funding. Without further changes to funding or actions to address an overspend position, the school is expected to have a cumulative deficit of £0.120m by the end of 2020/21 and £0.200m by the end of 2021/22.
- 4.3 Our Lady of Lourdes Catholic Primary School has a forecast surplus balance of £0.226m in 2019/20, reducing to £0.118m in 2020/21 and a forecast deficit of £0.080m by the end of 2021/22.
- 4.4 There will be further discussions with the governing body and the Archdiocese over the coming weeks to clarify and present the most realistic future financial scenario(s) should either of the alternative proposals proceed.

5 Standards

- 5.1 Both St Teresa’s Catholic Infant School and Our Lady of Lourdes Catholic Primary School were rated good at their last Ofsted inspection.

6 Pupil Places

- 6.1 St Teresa’s Catholic Infant School has 90 places and there were 48 pupils on roll in the main school and 9 in the nursery as at the October 2019 School Census which means they have 47% surplus places at the time of writing. Our Lady of Lourdes Catholic Primary School has 540 places and there were 467 pupils on roll in mainstream places on the October Census which means that they have 13.5%

surplus places. In addition to this they also have 25 pupils in SEN/Resourced places and 27 pupils in the nursery.

7 Statutory Notice

- 7.1 If a future decision is made to close the school following further exploration of the alternatives proposed a copy of the statutory notice and detailed proposal will be published.
- 7.2 Following publication of the notice, subject to Cabinet approval, there will be a four-week statutory period for representations to be made which will be considered at a future Cabinet.
- 7.3 Any representations regarding the new proposal will be considered by Cabinet on 28th May 2020.

8 Summary and Conclusion

- 8.1 The consultation on the proposal to close St Teresa's and enlarge Our Lady of Lourdes ran for 7 weeks from 21 October 2019 to 6 December 2019. A range of stakeholders were directly engaged and public meetings were held with staff, governors and parents.
- 8.2 A range of comments were made during the consultation process on the perceived impact of closing St Teresa's and enlarging Our Lady of Lourdes. There were very few responses in favour of the current proposal to close St. Teresa's Catholic Infants and enlarge Our Lady of Lourdes Catholic Primary.
- 8.4 The current financial position at St Teresa's indicates a deficit position this year, which is difficult to address, and is expected to become worse through reducing numbers of pupils in 2020/21. Funding through the Schools Formula is highly geared to pupil numbers, and the ability of Governor's to maintain financial and operational viability is compromised through reduced funding levels.
- 8.5 Given the financial concerns, the fall in pupil numbers at St Teresa's the Cabinet needs to consider whether at this time it would be deemed the right decision to continue with publication of statutory notice to close the school; begin consultation on alternative proposals if deemed viable and supported by the Archdiocese or to make no change to the current provision
- 8.6 In conclusion, given the proposal to close St. Teresa's and extend provision at Our Lady of Lourdes, it is recommended that this element be withdrawn. i.e. the proposal to merge with Our Lady of Lourdes.
- 8.7 Further proposals put forward by St Teresa's will be fully explored and the outcomes presented to 28th May Cabinet.

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Proposal for the closure of St Teresa's Catholic Infant School and the expansion of Our Lady of Lourdes Catholic Primary School

This leaflet provides background information about the proposal for the closure of St Teresa's Catholic Infant School and the related enlargement of Our Lady of Lourdes Catholic Primary School. It also answers some of the questions that parents, carers, pupils and members of the wider community might want to know.

Introduction

Sefton Council wishes to seek the views of interested parties regarding the related proposals for Sefton Council to close St Teresa's Catholic Infant School as at 31st August 2020 and enlarge Our Lady of Lourdes Catholic Primary School from 1st September 2020.

Background

St Teresa's Catholic Infant School is a single form of entry school with a published admission number of 30 situated at Everton Road in Birkdale. Our Lady of Lourdes Catholic Primary School is a two form of entry school with a published admission number of 60 at KS1 and 90 at KS2 situated at Grantham Road, Birkdale. Both schools are voluntary aided schools being approximately 1.4 miles apart from one another.

As a result of the decline in requests for school places the Governors of St Teresa's have asked Sefton Council, as the local authority, to explore alternative opportunities for future provision. At a meeting on the 3rd October 2019 the Council's Cabinet agreed to proceed with the request from the Governing Body of St Teresa's Catholic Infant School to commence the statutory consultation process.

It is extremely important to note that at this point in time no definitive decision has been made about the future of the school.

The chart below outlines the four-stage statutory process that the local authority must adhere to when making decisions concerning the potential closure or significant changes to schools.

Stage 1	Consultation 21st October 2019 – 6th December 2019	This is the start of the process when the Local Authority provides information about what is being proposed and gathers the views of interested parties to help them develop the proposals. This period usually lasts for a minimum of six weeks.
Stage 2	Publication – 5th February 2020	A legal notice is published in the local paper (usually the Champion) and on the Council website which sets out brief details of the proposal and where more information can be found. It also gives details of where objections and comments can be sent and the closing date for these. It marks the start of the representation period or formal consultation.
Stage 3	Representation 5th February – 11th March 2020	This is a four-week period from the date the notice is published to allow interested parties the final opportunity to send objections and comments to be taken into consideration by the decision maker. It is classed as the formal part of the consultation process.
Stage 4	Decision Cabinet to make final decision – April 2020	All the objections and comments gathered during the representation period are provided to the decision maker to enable them to make the final decision.

There will be a consultation period which will run from 21st October 2019 – 6th December 2019.

As part of the consultation process for the proposal, we will be holding meetings with staff, governors, and parents/carers of pupils at the school. It is important that we hear the views and opinions of as many people as possible.

Date and Time of Meetings:

Meetings have been arranged to provide an opportunity for interested parties to make their views known.

St Teresa's Catholic Infant School

Meetings for parents will be held on 5th November 2019 at 6pm at the school to enable as many parents to attend as possible.

A meeting for staff will be held at 3.30pm and governors at 5pm on 5th November 2019.

Our Lady of Lourdes Catholic Primary School

Meetings for parents will be held on 6th November 2019 at 6pm at the school to enable as many parents to attend as possible.

A meeting for staff will be held at 3.30pm and governors at 5pm on 6th November 2019.

Alternatively, if you are unable to attend the meeting, you may wish to comment on the proposal via an online comment form at www.sefton.gov.uk/stteresas

This area of Sefton Council's website, where comments can be submitted, will also be used as a dedicated web page to provide details about the proposal and will be used to keep members of the public fully informed about the consultation process.

Parents and Staff Voice

The formal consultation process will provide parents and staff with the opportunity to respond to the proposal.

All parents and staff are actively encouraged to give their views during the consultation period.

Other Consultees

Other organisations who must be consulted will be written to as part of the process and be invited to submit their views.

Subject to the outcome of the consultation process, the Local Authority intends to publish a statutory notice setting out the proposals for St Teresa's Catholic Infant School and Our Lady of Lourdes Catholic Primary School. It is the Local Authority's intention to publish this notice in the local newspapers during February 2020, and this will be followed by a four-week representation period – during the period all interested parties will be invited to make their representations and comments in writing. At the end of the four-week period, the matter will be considered by the Council's Cabinet, who will make the final decision on the proposal.

Reasons for the Proposal

Pupil Numbers at St Teresa's

- Pupil numbers have been falling over a number of years at St Teresa's and this trend is likely to continue for the foreseeable future. The school had 39% surplus places in May 2019 when the last census was undertaken.

School Finances at St Teresa's

- School finances are highly dependent on pupil numbers for their funding and as pupil numbers fall schools are unable to maintain staffing levels and the funding available to support each pupil is reduced. This compromises the ability to provide the best education for pupils attending the school.
- There is a projected financial deficit of £0.066m for 2019/20. This is forecast to increase to £0.122m in 2020/21.
- The governors and senior leadership have worked extremely hard to reduce costs and find savings but are now at a stage where they are unable to address the increasing deficit. As a result, the school is not financially viable for the longer term.

Expansion of Our Lady of Lourdes Primary School

- The expansion of Our Lady of Lourdes will allow for all pupils at St Teresa's to be automatically registered there.

- Upon closure, St Teresa's premises will transfer to the control of the governors of Our Lady of Lourdes which will then operate on a split site, from both Grantham Road and Everton Road; preserving the current arrangements.

In the short term both sites would remain open to allow pupils to continue to attend as before. However, in the medium term consideration will have to be given to the viability of operating the school from two sites. Efficiencies would need to be examined through the usual processes.

The following questions are based on previous school organisation proposals and the type of information and support that parents/carers, pupils, governors, staff, unions and the wider community might want to know.

Frequently Asked Questions (FAQs)

Q1

Who has responsibility for each of the schools?

Both St Teresa's Catholic Infant School and Our Lady of Lourdes Catholic Primary School are voluntary aided schools maintained by the local authority. Each is run by a governing body, the majority of which are appointed by the Archdiocese of Liverpool. They are responsible for the overall management of the schools within the statutory framework set out in current legislation.

Q2

Why is the Council involved?

Voluntary aided schools are maintained by the local authority and receive their revenue funding from them. Legislation sets out that local authorities are under a statutory duty to ensure that there are sufficient school places in their area, promote high educational standards, ensure fair access to educational opportunity and promote the fulfilment of every child's educational potential. To help them meet these duties and restructure local provision they have the power to close all categories of maintained schools. This involves following a statutory process to consult on any closure and

expansion proposals. Ultimately the Council is the decision-maker on these proposals.

Q3
When will the closure and expansion take place?
If the proposal to close and expand is agreed St Teresa's would close with effect from 31st August 2020 and provision at Our Lady of Lourdes Catholic Primary would increase with effect from 1st September 2020.

The closure of schools is governed by the School Organisation (Establishment and Discontinuance of Schools) Regulations 2013. The proposals at this stage are still subject to consultation and the statutory publication process.

Q4
If St Teresa's does close, what will happen to the pupils?
If the proposal to close St Teresa's is approved, then current pupils at the school would be given the right to attend Our Lady of Lourdes Catholic Primary School. For future admissions Our Lady of Lourdes would have a planned admission number (PAN) of 90 and a single point of admission at Reception. There would be no need to apply at Year 3. If you require information about alternative schools in the area this is available on the Council's website in the Admissions Information Booklet at <https://www.sefton.gov.uk/schools-learning/school-admissions.aspx>

Q5
How would you ensure the continuance of a good quality education for all pupils?
The governors and staff at each of the schools, in partnership with both the local authority and the Archdiocese, would ensure the standards of education were maintained throughout the reorganisation process. All parties would seek to ensure that the transition to any new arrangements would not adversely impact pupils at either of the existing schools. Both schools would be led by a single headteacher, providing continuity and stability for both pupils and staff.

Q6
Are there any alternatives to closure and expansion proposals?

The proposals put forward are considered to be the most efficient way of providing school places in the area. However, the point of the consultation is to seek the views of others who may have an alternative view. All viable options will be considered before a decision is made

Q7**Can a plan be proposed to prevent the school from closing?**

Yes – we are currently in consultation and any proposals can be considered. If there is a proposal that would prevent the school from closing it should be presented to the Governing Body for them to consider in the first instance. For any plan to be seriously considered it would need to establish, in a sustainable way, an approach to setting a balanced budget.

Q8**What will happen to the staff at each school?**

Subject to the results of the consultation, all staff will continue to deliver quality teaching and support to pupils.

Those staff employed by the Governing Body of St Teresa's Infant School would transfer to the employ of the Governing Body of Our Lady of Lourdes Primary school as at 1 September 2020 by virtue of the Transfer of Undertakings (Protection of Employment) Regulations 2006 (referred to as TUPE). The Local Authority would provide dedicated support and guidance to all the staff with regard to this process.

Q9**What will happen to the governing body at each school if the result of the consultation is to close St Teresa's and expand Our Lady of Lourdes?**

St Teresa's governing body would remain in place and continue to manage the school up until the school closure as at 31 August 2020. The Governing Body of Our Lady of Lourdes would manage the expanded school as from 1 September 2020. Support would be provided by both the local authority and the Archdiocese to both governing bodies throughout any reorganisation process.

Q10**What will happen to the school site and premises if the school closes?**

The school buildings and their footprint are owned by the Archdiocese. Our Lady of Lourdes would operate on a split site basis, with pupils based at

both Grantham Road and Everton Road, being under the management and control of the Governing Body of Our Lady of Lourdes School.

Q11

If my child attends either school, what do I need to do?

There is no need for parents to consider moving their child because of these proposals. At present they are merely at a consultative stage. If the proposals are progressed then pupils at St Teresa's would automatically be offered a place at Our Lady of Lourdes Primary School as from 1 September 2020.

Pupils currently at Our Lady of Lourdes' would not be affected.

Parents seeking a place for their child in reception in September 2020 can still apply to St Teresa's or Our Lady of Lourdes as per the school's admission policy.

Q12

My child has Special Education Needs, (SEN) and the school is receiving extra funding from the Local Authority to support their needs. Will my child continue to receive this support if we move to another school?

Yes. Any additional funding received by the school to meet the SEN of a pupil would transfer to their new setting to support their transition and help them settle into their new environment. This funding would then continue to be monitored and reviewed in the usual way.

The staff at St Teresa's would ensure that any information regarding the SEN of pupils is shared with their potential new school so that transition planning can take place. Parents of pupils with SEN will be included in this process.

If you would like to speak to a member of the Special Education Needs and Inclusion Service, they can be contacted at:

SENIS@sefton.gov.uk or 0151 934 2347.

For further information about the proposal, please go to www.sefton.gov.uk/stteresas

Please tell us what you think about the proposal.

You can return the form with your comments to the School Organisation Team, Education Services, Town Hall, Oriel Road, Bootle, L20 7AE or return to the Headteacher at St Teresa's Catholic Infant School and Our Lady of Lourdes Catholic Primary School. You can also comment by email to school.organisation@sefton.gov.uk

Summary of Consultation

1 Consultation Process

- 1.1 In accordance with section 16(3) of the Education and Inspections Act 2006 a proposer of a school closure must have regard to any guidance issued by the Secretary of State. The following bodies and individuals were consulted:

Parents/carers of pupils at St Teresa's Infant School and Our Lady of Lourdes Catholic Primary School

Parents of pupils who had applied for places at the schools at the start of the consultation period

Staff at St Teresa's and Our Lady of Lourdes

Governing bodies of St Teresa's and Our Lady of Lourdes

Trade Union Representatives

Sefton schools

Ward Councillors

Directors of neighbouring local authorities

Local MP

General consultation invites on Sefton Council's website

- 1.2 The consultation process was presented to the Public Engagement and Consultation Panel on 10 October 2019.
- 1.3 All parents at both schools received a letter and a copy of the consultation leaflet mentioned above. The consultation also consisted of meetings with staff, governors and families, and provided the opportunity for discussion and written representation.

2. Outcome of the Consultation

- 2.1 During the consultation period, meetings have been held with interested parties, the following is a synopsis of the outcomes as a result of the meetings. The Stage One consultation period ran from 21 October until 6 December 2019. An extra week was allowed for half term.

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2.2 **Consultation Meetings with Staff, Governors and Parents/carers at St Teresa's on 5 November 2019 and Our Lady of Lourdes on 6 November 2019**

Three separate meetings were held on each evening for staff, governors and parents/carers. At all of the meetings, copies of the presentation "Proposals for St Teresa's/Our Lady of Lourdes", dated 5th November 2019 were circulated.

The background to the proposal was explained. St Teresa's Catholic Infant School has suffered from falling pupil numbers for some time and the school currently has 47% surplus places as at the October 2019 School Census. Births in Southport have been declining since 2009/10 which has affected the nursery/infant population in the area. It was explained that school finances are highly dependent on pupil numbers so as these decline, income diminishes.

Governing bodies have a duty to set a balanced budget each year and although the Governing Body has worked hard to reduce costs, this has proved very challenging. The Governing Body of St Teresa's met on 19th July 2019 to consider the financial position of the school going forward and concluded that they were unable to set a balanced budget. On 25th June 2019 they wrote to the Head of Schools and Families seeking approval for a deficit budget for 2019/20. The letter also requested that a possibility of a merger with Our Lady of Lourdes be explored.

Figures were shared on the financial impact over three years. St Teresa's is running with an unsustainable budget deficit and, like many other schools, Our Lady of Lourdes will need to review and address budget sustainability in the coming three-year period. It was explained that the proposal was to close St Teresa's and place provision with Our Lady of Lourdes and the presentation went on to give the implications of this for pupils, staff, Governors, Admissions, the building and Ofsted.

The expansion of Our Lady of Lourdes would allow for all pupils at St Teresa's Infants to automatically register there. Upon closure the St Teresa's premises would transfer to the control of the Governors of Our Lady of Lourdes which would mean that they would operate on a split site. In the short term, both sites would remain open to allow pupils to attend as before. The proposal would safeguard matters in an orderly way and ensure that there is appropriate Roman Catholic provision in the area.

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Staff employed by the Governing Body of St Teresa's Infant School would transfer to the employ of the Governing Body of Our Lady of Lourdes Primary School on 1st September 2020. Transfer of Undertakings (Protection of Employment) Regulations 2006, otherwise known as TUPE, will apply.

If the proposal to close St Teresa's is approved, then the current Governing Body would cease to exist on 31st August and all the power and responsibilities would transfer to the Governors of Our Lady of Lourdes.

If the proposal to close St Teresa's is approved, then current pupils at the school would be given the right to attend Our Lady of Lourdes. For future admission, Our Lady of Lourdes would have a planned admission number (PAN) of 90 and a single point of admission for Reception. There would be no need to apply at Y3.

St Teresa's has a current Ofsted judgement of Good which was awarded in February 2018. If St Teresa's were to close, then this judgement would be archived. Our Lady of Lourdes has a current Ofsted judgement of Good which was awarded in July 2019. This judgement would continue to apply to the extended provision.

The timescales for the statutory process were explained. Once the consultation period ends on 6th December 2019 a report will go back to Cabinet on 9th January 2020 to decide whether to proceed to the next stage. The report will be in the public domain and will be available a week before the meeting. If this is agreed the proposal will be published and there is a four-week representation period to allow people to submit their written responses. The final report would be submitted to Cabinet in April 2020 for them to make the final decision.

The final slide explained how to respond to the consultation in a variety of ways by using the online comment form, by email or by completing the form on the reverse of the consultation document and posting it to the address shown. Comments needed to be received by 6th December 2019.

Copies of the minutes of all the consultation meetings have been posted on the Council website on the School Organisation page within Schools and Learning.

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2.3 Online and written responses to the consultation

A total of 422 responses were received to the consultation; 318 from Sefton webforms, 60 from emails and 44 were written responses submitted on the form attached to the consultation document.

A breakdown of these responses is shown below:

Parent/carer - 155

Staff - 70

Governor - 13

Local resident/Other - 184

Key themes from all responses:

Following receipt of consultation responses the following key themes have been identified:

- More than one option should have been presented during the consultation.
- There was some criticism of how the proposal had been announced in the local media which is believed to have exacerbated lack of confidence in both schools.
- There was some criticism of how aspects of the consultation had been conducted.
- Both schools are highly valued by parents and their local community. Support for the independence of both schools was very passionate.
- The current proposal is not financially viable.
- The current proposal will result in financial problems for Our Lady of Lourdes and could seriously jeopardise its future.
- Proposal that St Teresa's should be closed.
- More time is required for all options to be explored.
- Following a recent period of instability, St Teresa's should be given a period of grace to allow them to market themselves.

2.4 Responses from other statutory consultees

During the consultation period, a response was received from a neighbouring local authority. The School Planning Team at Lancashire County Council responded by email. They confirmed that their nearest school is Scarisbrick St Mary's at 2.92 miles which is over their 2-mile radius for primary school catchment (derived from DFE home to school transport guidance). They stated that as the proposal is for no additional places and no reduction of school places either, they would not expect this to have any adverse impact on Lancashire County Council provision of school places. They therefore offered no comment on the proposal.

2.5 Summary of Issues raised during the consultation by the staff and Governors of each school

2.5.1 Main issues raised by staff at St Teresa's

Staff at St Teresa's were concerned about their jobs and whether the building would still be used as an infant school. They asked about the feasibility of keeping both buildings open, whether parents could still apply for places and could these be guaranteed. They asked questions about redundancy, possible reduction of working hours and what would happen to their budget deficit.

Responses to the consultation indicated that they did not want St Teresa's to close and would prefer it to operate independently of Our Lady of Lourdes. However, a few responses also indicated that they were in favour of the proposal if this is the only way the school would be able to continue.

2.5.2 Main issues raised by staff at Our Lady of Lourdes

Staff at Our Lady of Lourdes had great empathy for the staff and pupils at St Teresa's especially in view of the close links between the two schools but were against the proposal which they feel is not financially viable. All staff said that they "fiercely rejected" the proposal and believe that this would lead to the "financial ruin" of Our Lady of Lourdes.

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Staff expressed their concern that the Council was trying to pass the debt from St Teresa's onto Our Lady of Lourdes by placing this responsibility on the governors of Our Lady of Lourdes.

Concern was expressed that the current financial position and the pupil numbers at both schools will not support an expansion to an admission number of 90. There is no guarantee that all pupils from St Teresa's would transfer to Our Lady of Lourdes. Even if they do transfer this would not be enough to alleviate the financial cost of additional staff moving over to Our Lady of Lourdes.

2.5.3 Main issues raised by Governors at St Teresa's

A response to the consultation was received by e-mail from the Governing Body of St. Teresa's Catholic Infant School The full response has been reproduced in full within the Background Papers.

In essence though, the Governing Body of St. Teresa's School is against the Sefton Council proposal for the closure of St. Teresa' Catholic Infant School and the expansion of Our Lady of Lourdes Catholic Primary School. St. Teresa's Governing Body believe that a better solution for the whole community would be that St. Teresa's School remains open, in its own right.

2.5.4 Main issues raised by Governors at Our Lady of Lourdes

The responses received did not support the proposal although they had not taken this decision lightly as the schools have close links and great empathy was expressed for the staff and parents of St Teresa's.

Governors were concerned that the Council's proposal was not financially viable and will have a significant financial impact on Our Lady of Lourdes if the schools are merged as they believe its future could be seriously jeopardised.

Concern was expressed that the current financial position and the pupil numbers at both schools will not support an expansion to an admission number of 90 especially as there are surplus places in Southport. There is already sufficient capacity at Our Lady of Lourdes to educate the Catholic pupils who currently attend St Teresa's school. However, there is no

guarantee that all pupils from St Teresa's would transfer to Our Lady of Lourdes. Even if they do transfer this would not be enough to alleviate the financial cost of additional staff moving over to OLOL.

Concern that if staff from St Teresa's were transferred under TUPE that there would be too many staff leading to an immediate need to restructure with subsequent disruption, redundancy and pension costs which would have to be met by Our Lady of Lourdes and would put current staff at Our Lady of Lourdes at risk.

2.5.5 **Response of Governors and Staff from Our Lady of Lourdes Catholic Primary School**

The Governors and Staff of Our Lady of Lourdes School cannot support the Sefton Council Proposal "for the closure of St Teresa's Catholic Infant School and expansion of Our Lady of Lourdes Catholic Primary School." This decision was not taken lightly as the schools have close links and we have great empathy for the entire community of St Teresa's but, figures provided by Sefton make it clear that, the proposal put forward by the Council and the Archdiocese would have significant financial implications for Our Lady of Lourdes. Indeed this was confirmed by Sefton Council's Head of Finance at two of the Consultation Meetings.

2.5.6 Main Issues raised by parents at St Teresa's

Parents of Pupils at St Teresa's supported the school and did not want it to close. They spoke very highly of the support that they and their children had received. Parents said that their children have grown in confidence since attending there. The school invests highly in their pupils' mental health. Children feel valued and cared for and have benefitted from the family atmosphere, smaller class sizes and the bond they have with their teachers. They felt that losing this provision in Birkdale would be a huge mistake for the welfare and education of young people in the area.

Many members of the community and parents of pupils currently attending St Teresa's were educated there and highly valued the education they received.

Parents valued the small size of the school and chose to send their children there for that reason as they believe that not all children do well in larger schools. They said that their children were encouraged to develop a strong

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sense of self which they felt would not have happened in a larger school. All teachers, teaching assistants and admin staff at St Teresa's were always helpful and caring. They worried that if the school closes it will have a detrimental effect on the progress their children had made there.

Many parents referred to a "one size fits all" approach to education which they felt was not appropriate for all children.

Parents were worried about how their journeys to school would be affected as this could have a big impact on their family life.

Parents of pupils who were receiving one to one support were worried that the funding for this could be taken away.

Parents valued the strong Christian grounding and moral ethics taught at the school.

Parents said that St Teresa's should be used as an example of good teaching practice.

Parents felt that both schools need to remain open as pupil numbers may rise particularly with all the housebuilding taking place in the area. There was concern that there would be no Catholic places available.

Parents believed that the decline in numbers was due to inappropriate management and changes in leadership in the past not falling birth rates in the area and, under the right management and with more marketing, numbers could be improved.

Concern was raised that the school is now at a disadvantage in trying to attract pupils due the publication of the proposals in the local press as parents may now feel that the school is not a valid option.

The school had received a bad press due to a bad Ofsted but it was rated 'Good' for a long time and is now rated 'Good' again. Parents felt that St Teresa's should have been given more help sooner and more should be done

to promote the school. Many parents wanted the opportunity to help the school by being involved in fundraising.

Concern that the process has been rushed and there was no evidence that the proposal was going to save money as there were no financial forecasts provided at the consultation meetings.

Questions were asked about why no alternative proposals were being considered.

There was concern that the building would no longer be available for community use.

Parents were concerned that there would not be enough places available once the schools had merged.

Concern was raised about the implications that closing St Teresa's would have on traffic, parking and the effect on the environment.

Some parents said although they would prefer St Teresa's to remain as a separate school if the only way to keep it open was to "amalgamate" with Our Lady of Lourdes then they would be in favour rather than see it close completely.

Parents requested that St Teresa's should be given an adequate period of grace to allow governors with the strong support of parents, the parish and the Archdiocese to reverse the fortunes of the school and return it to the position it has enjoyed for the majority of the last 150 years. Many of them said they had been unaware that the school's finances were in deficit. They want to keep infant education in place and continue to offer the "small school feel" of St Teresa's so that children can continue to flourish there. Parents were willing to dedicate their time and effort to help St Teresa's achieve this.

2.5.7 Main Issues raised by parents at Our Lady of Lourdes

Parents from Our Lady of Lourdes had great empathy for the entire community of St Teresa's but they were unable to support the proposal for the

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closure of St Teresa's and the expansion of Our Lady of Lourdes mainly due to concern that the Council's proposal was not financially viable and will have a significant financial impact on Our Lady of Lourdes if the schools are merged as they believe its future could be seriously jeopardised.

Concern that the Council is trying to pass the debt on to Our Lady of Lourdes.

Parents highlighted that, due to falling pupil numbers, Our Lady of Lourdes had already reduced operating costs and staffing levels. Teaching Assistants have had to reduce their hours on a voluntary basis to avoid potential redundancies.

Concern that the current financial position and the pupil numbers at both schools do not support an expansion to the admissions figure of 90 especially as there is no guarantee that all pupils from St Teresa's would transfer to Our Lady of Lourdes. Even if they do transfer this would not be enough to alleviate the financial cost of additional staff moving over to OLOL.

If the proposal goes ahead staff from St Teresa's will transfer to Our Lady of Lourdes under TUPE regulations. Concern was raised that this would require an immediate restructure with subsequent disruption, redundancy and pension costs which would create an even greater deficit for Our Lady of Lourdes. On top of this they would also have the operational difficulties and costs of running a split site school.

Concern that the current arrangement of the Head teacher of Our Lady of Lourdes acting as Executive Head of St Teresa's is creating strain on the Leadership and Management Team at OLOL and is having a detrimental effect on the daily running of the school.

Concern that the proposal could significantly impact on the ability of Our Lady of Lourdes to maintain high quality education.

Questions were asked about how a split site would operate and where pupils would be placed. Concern was expressed that a key stage would be taken away from Our Lady of Lourdes as this would take so much away from the school community and change the family atmosphere.

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Concern about having to drop pupils off at two sites and that children would be transported by bus from one school to another each morning. Home school partnerships and daily contact with teachers would suffer. Walking to school should be promoted.

Parents stated that all pupils from St Teresa's could already be catered for at Our Lady of Lourdes.

Parents stated that they wanted continuous primary education in the same environment.

Concern about class sizes and whether these would increase.

Concern about outside space to accommodate additional pupils and whether break times will have to be staggered to allow pupils to have enough space to play and develop physical skills.

Parents felt that the proposal doesn't address any of the problems encountered by St Teresa's but was simply passing on the problem to Our Lady of Lourdes. They said this is a short-term solution which is not financially sustainable.

Parents felt that St Teresa's needs to be given the opportunity to promote themselves and increase their pupil intake.

Concern that Our Lady of Lourdes is already stretched and does not have the capacity to effectively enlarge.

Concern for one to one support for pupils with SEND at Our Lady of Lourdes which is already overstretched. Cuts in funding may mean that this support is no longer available.

Concern that increasing the size of Our Lady of Lourdes will increase the traffic volume and add to parking problems and environmental issues.

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A request was made that the Archdiocese and the Local Authority work in collaboration to present a financially viable alternative rather than place Our Lady of Lourdes in an extremely difficult situation by providing a proposal which they feel can't be seriously considered. They were very concerned about how the community of Our Lady of Lourdes Primary School will be portrayed in the local community and the Parish of St Teresa's by being forced to reject a proposal which would impact on their own financial viability, staffing levels and morale as well as their ability to provide quality education in the future.

2.5.8 **Response received from Our Lady of Lourdes Parents Consultation Group**

A Parent Consultation Group was formed following the meeting with the Archdiocese and representatives of Sefton council on 6th November 2019. Parents were very concerned about the merger outlined in Sefton's proposal and the impact it would have on Our Lady of Lourdes Catholic Primary School (OLOL) and its pupils.

The Parent Consultation Group cannot support the Sefton council proposal "for the closure of St. Teresa's Catholic Infant School and expansion of Our Lady of Lourdes Catholic Primary School."

2.5.9. **Main Issues raised by Local Community/Residents/Other**

There was some support for the current proposal amongst the local community as a way of keeping the St Teresa's building open but many wished to see St Teresa's kept open as a school in its own right. Many of the local residents who responded did not support the proposal which they felt was not financially viable and would have a detrimental effect on Our Lady of Lourdes Primary School. They mentioned all the same issues raised by the staff and parents of Our Lady of Lourdes.

OUTCOME OF THE CONSULTATION ON THE PROPOSAL TO CLOSE ST. TERESA'S CATHOLIC INFANT SCHOOL AND THE RELATED PROPOSAL TO ENLARGE OUR LADY OF LOURDES CATHOLIC PRIMARY SCHOOL

ONLINE AND WRITTEN RESPONSES TO THE CONSULTATION

A total of 422 responses were received; 318 from Sefton webforms, 60 from emails, 44 were written responses and most of these were submitted on the form attached to the consultation document. There were many individual responses but collective responses were received which were also submitted by individuals via the Sefton webform and email by parents, staff, governors and local residents.

Who responded?

Parent/carer 155

Staff 70

Governor 13

Local resident/Other 184

There were very few responses in favour of the current proposal to close St Teresa's Catholic Infants and enlarge Our Lady of Lourdes Catholic Primary. Most of the responses were against it. Those in favour said they would prefer St Teresa's to remain open in its own right but would support the proposal if this was the only way the school could continue.

Key themes from all responses:

More than one option should have been presented during the consultation.

Criticism of how the proposal had been announced in the local media which is believed to have exacerbated lack of confidence in both schools.

Criticism of how aspects of the consultation had been conducted.

Both schools are highly valued by parents and their local community. Support for the independence of both schools was very passionate.

The current proposal is not financially viable.

The current proposal will result in financial problems for Our Lady of Lourdes and could seriously jeopardise its future.

Proposal that St Teresa's should be closed.

More time is required for all options to be explored.

Following a recent period of instability St Teresa's should be given a period of grace to allow them to market themselves.

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Responses from other statutory consultees

During the consultation period, a response was received from a neighbouring local authority. The School Planning Team at Lancashire County Council responded by email. They confirmed that their nearest school is Scarisbrick St Mary's at 2.92 miles which is over their 2-mile radius for primary school catchment (derived from DFE home to school transport guidance). They stated that as the proposal is for no additional places and no reduction of school places either, they would not expect this to have any adverse impact on Lancashire County Council provision of school places. They therefore offered no comment on the proposal.

Summary of Issues raised during the consultation

Minutes of all the consultation meetings were posted on the Sefton webpage at www.sefton.gov.uk/stteresas

Main issues raised by staff at St Teresa's

Staff at St Teresa's were concerned about their jobs and whether the building would still be used as an infant school. They asked about the feasibility of keeping both buildings open, whether parents could still apply for places and could these be guaranteed. They asked questions about redundancy, possible reduction of working hours and what would happen to their budget deficit.

Responses to the consultation indicated that they did not want St Teresa's to close and would prefer it to operate independently of Our Lady of Lourdes. However, a few responses also indicated that they were in favour of the proposal if this is the only way the school would be able to continue.

Main issues raised by staff at Our Lady of Lourdes

Staff at Our Lady of Lourdes had great empathy for the staff and pupils at St Teresa's especially in view of the close links between the two schools but were against the proposal which they feel is not financially viable. All staff said that they "fiercely rejected" the proposal and believe that this would lead to the "financial ruin" of Our Lady of Lourdes.

Staff expressed their concern that the Council was trying to pass the debt from St Teresa's onto Our Lady of Lourdes by placing this responsibility on the governors of Our Lady of Lourdes.

Concern was expressed that the current financial position and the pupil numbers at both schools will not support an expansion to an admission number of 90. There is no guarantee that all pupils from St Teresa's would transfer to Our Lady of Lourdes. Even if they do transfer this would not be enough to alleviate the financial cost of additional staff moving over to OLOL.

Concern that if staff from St Teresa's were transferred under TUPE that there would be too many staff leading to an immediate need to restructure with subsequent

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disruption, redundancy and pension costs which would have to be met by Our Lady of Lourdes and would put current staff at Our Lady of Lourdes at risk.

Operating on two sites would mean additional costs for Our Lady of Lourdes.

Concern that Our Lady of Lourdes will lose more pupils if the proposal goes ahead. Staff said that parents at Our Lady of Lourdes do not want their children educated on two sites and are already questioning whether they would continue to place their children there and whether they would send younger siblings to the school. They want continuity and proven results for their children. At a recent open morning for early years prospective parents were asking questions about the proposal and made it clear that they would not choose the school if this were the case.

Staff pointed out that there was already sufficient capacity at Our Lady of Lourdes to educate the Catholic pupils who currently attend St Teresa's school.

Operating costs and staffing levels have already been reduced. Teaching Assistants at Our Lady of Lourdes have already had their hours cut due to falling pupil numbers. This has had a detrimental effect on children in their care already as they are no longer able to support pupils who need to access interventions outside the classroom. It has also impacted on the teachers' workloads. Further cost reductions will be required to balance the budget in future and taking over an additional school site and staff will only exacerbate this.

Staff were disappointed that elected Members did not attend the consultation meetings.

There was concern about the negative focus on both schools in the recent press.

Concern that the current arrangement of the Head teacher of Our Lady of Lourdes acting as Executive Head of St Teresa's is creating strain on the Leadership and Management Team at OLOL and is having a detrimental effect on the daily running of the school. It has been necessary for them to pay for supply cover as they have needed to pull other members of the SLT out of class for the day. It was also stated that the two schools are also sharing a caretaker.

Concern at the current level of stress on staff which will impact on pupils. Morale in school is already low.

Concern that this proposal could significantly impact on the ability of Our Lady of Lourdes to maintain high quality education provision.

Concern about how they will be portrayed in the local community and particularly in the Parish of St Teresa's by being forced to reject a proposal which would impact on their own financial viability, staffing levels, morale and ability to provide good quality education in the future.

Concern and disappointment was expressed that only one option has been presented during the consultation. Staff requested that the Archdiocese and Local Authority work in collaboration to present a financially viable alternative rather than

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place Our Lady of Lourdes in an extremely difficult position by providing a proposal which cannot be seriously considered.

Many staff suggested, with regret, that a hard closure of St Teresa's was the only option.

It was also suggested that in order to look after the Catholic community that all Catholic primary schools in the borough share the burden and take their fair share of children and staff.

Main issues raised by Governors at St Teresa's

There were some responses in support of the proposal if this was the only way that St Teresa's could be kept open.

Response from Governors of St Teresa's Infant School

The following joint response to the consultation was received by email from the Governing body of St Teresa's Catholic Infant School and has been reproduced here in full:

The governing body of St Teresa's School is **against** the Sefton Council proposal for the closure of St Teresa's Catholic Infant School and the expansion of Our Lady of Lourdes Catholic Primary School,

Rationale

As a governing body, we are of the opinion that the above Consultation proposal isn't suitable for a number of reasons, including the following:

- Despite requests from the governing bodies of both schools, the budgetary information required to analyse the actual financial impact of a merger was only received in mid-November. The consequence of this is that Our Lady of Lourdes governing body (GB) has recently made the decision to oppose the consultation proposal on the basis of concerns over its financial viability, making any decision to the contrary by St Teresa's GB untenable and unworkable in practice.
- The way in which the proposal was made public by the local authority (without any consultation or prior notice to either school) has created a significant lack of confidence in St Teresa's. This has caused further damaging uncertainty, that has been compounded by the erroneous advice in the consultation proposal document to parents considering enrolling their child at St Teresa's, to actually apply to Our Lady of Lourdes school (see Frequently Asked Questions No.11).
- Following the poorly managed announcement of the consultation proposal, there has been a demonstrable rallying of parents and the parish community to keep St Teresa's school open in its own right.
- Since the beginning of this academic year, St Teresa's has not had its own dedicated Headteacher; nor in the last few years, has the stability of staffing been as governors would have wanted. However, we believe that the current

cohort of staff are fully committed to ensuring the pupils achieve the required standard in all subjects and to enable the more capable pupils to excel.

- Prior to its Ofsted report in 2016, St Teresa's did not need to actively promote the school as the numbers on roll defied the demographic trend of decline in the region. This is now no longer the case so governors, staff and parents recognise this challenge and are currently working together to promote the school more effectively.
- As recently as 2018, positive changes in the school saw the OFSTED rating improve from "Inadequate" to "Good". More time is required to market this improvement and draw new pupils to the school.
- The closure of St Teresa's, without any consideration of exploring further options to allow the school to remain operational, would result not only in any budgetary deficit falling to the local authority, but also substantial costs associated with staff redundancies including significant capital costs relating to staff nearing pensionable age.
- Many parents appreciate the option of being able to walk their children to St.Teresa's school rather than adding to traffic congestion and the associated environmental issues that exist in travelling greater distances.

The governing body has already demonstrated a willingness and determination to balance the school budget. We would like the local authority and the Archdiocese to consider, with an open and informed review of finances, that the provision we value at both St Teresa's and Our Lady of Lourdes, remains. Consequently, we request a period of grace to give the governing body the opportunity to increase pupil numbers and secure the financial stability of St Teresa's school. We are indeed actively formulating and analysing financially viable alternative proposals for consideration with the advice of the Archdiocese. Unfortunately, the late submission of the budgetary information required has severely impacted on the governing body's ability to propose a viable alternative within the consultation period. Consequently, this will now have to be submitted before the end of the Autumn term.

Alternative Proposal

For the above reasons, we strongly believe that a better solution for the whole community would be that St Teresa's school remains open, in its own right. It would be led by its own Headteacher, as a recognised senior leader, sufficiently equipped and in a position to instil confidence in parents, the parish and the local community in re-establishing St Teresa's as the school by which all may recognise it; that is, for its caring, personal approach, its high quality provision of education, and a school that is inextricably linked to the parish church.

We would request that a reasonable period of time is allowed for this to happen (a "period of grace") so the financial security of the school can be assured, with three years being the minimum amount of time required for us to address the problems we know need resolving.

St Teresa's school has been an integral part in the education and the nurturing of generations of children in Birkdale, and the Catholic community in particular, for 150

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years. With your support, it can look forward to embarking upon the next phase in its history with renewed optimism.

Main issues raised by Governors at Our Lady of Lourdes

The responses received did not support the proposal although they had not taken this decision lightly as the schools have close links and great empathy was expressed for the staff and parents of St Teresa's.

Governors were concerned that the Council's proposal was not financially viable and will have a significant financial impact on Our Lady of Lourdes if the schools are merged as they believe its future could be seriously jeopardised.

Concern was expressed that the current financial position and the pupil numbers at both schools will not support an expansion to an admission number of 90 especially as there are surplus places in Southport. There is already sufficient capacity at Our Lady of Lourdes to educate the Catholic pupils who currently attend St Teresa's school. However, there is no guarantee that all pupils from St Teresa's would transfer to Our Lady of Lourdes. Even if they do transfer this would not be enough to alleviate the financial cost of additional staff moving over to OLOL.

Concern that if staff from St Teresa's were transferred under TUPE that there would be too many staff leading to an immediate need to restructure with subsequent disruption, redundancy and pension costs which would have to be met by Our Lady of Lourdes and would put current staff at Our Lady of Lourdes at risk.

Operating on two sites would mean additional costs for Our Lady of Lourdes.

Concern that Our Lady of Lourdes will lose more pupils if the proposal goes ahead.

Teaching Assistants at Our Lady of Lourdes have already had their hours cut due to falling pupil numbers. This has had a detrimental effect on children in their care already as they are no longer able to support pupils who need to access interventions outside the classroom. It has also impacted on the teachers' workloads.

There was concern about the negative focus on both schools in the recent press.

Concern that the current arrangement of the Head teacher of Our Lady of Lourdes acting as Executive Head of St Teresa's is creating strain on the Leadership and Management Team at OLOL and is having a detrimental effect on the daily running of the school.

Concern that this proposal could significantly impact on the ability of Our Lady of Lourdes to maintain high quality education provision.

Concern and disappointment was expressed that only one option has been presented during the consultation. Governors requested that the Archdiocese and Local Authority work in collaboration to present a financially viable alternative rather than place Our Lady of Lourdes in an extremely difficult position by providing a proposal which cannot be seriously considered.

Concern about how they will be portrayed in the local community and particularly in the Parish of St Teresa's by being forced to reject a proposal which would impact on their own financial viability, staffing levels, morale and ability to provide good quality education in the future.

Governors requested that Sefton support St Teresa's to remain open in its own right with its own Head for at least three years to try and turn it around.

The school has had a period of instability in terms of staffing and has not had its own dedicated Head teacher since the beginning of the current academic year. They requested that the school be given the opportunity to actively market themselves.

Joint response of Governors and Staff from Our Lady of Lourdes Catholic Primary School

The following joint response to the consultation was received by email from the Governing body and staff of Our Lady of Lourdes Catholic Primary School and has been reproduced here in full:

Against the proposal:

The Governors and Staff of Our Lady of Lourdes School cannot support the Sefton Council Proposal "for the closure of St Teresa's Catholic Infant School and expansion of Our Lady of Lourdes Catholic Primary School." This decision was not taken lightly as the schools have close links and we have great empathy for the entire community of St Teresa's but, figures provided by Sefton make it clear that, the proposal put forward by the Council and the Archdiocese would have significant financial implications for Our Lady of Lourdes. Indeed this was confirmed by Sefton Council's Head of Finance at two of the Consultation Meetings.

Reasons:

The current financial position and the pupil numbers at both schools do not support an expansion to an admissions figure of 90. The combined pupil numbers would amount to less than 60 - indeed the Reception class places in the whole of Southport in September 2019 which were surplus to requirements totalled around 120. To propose that Our Lady of Lourdes expands to a 90 pupil intake and takes on the site and staff of St Teresa's to accommodate this, when there are at present insufficient pupils to fill the available spaces, is completely unrealistic.

Our Lady of Lourdes pupil numbers have decreased in the last two years partly due to falling pupil numbers across Southport and partly due to the impact of Nursery entitlement and the decision to open the Nursery to pupils requiring 30-hour provision. We are attempting to address this through marketing, targeted at the Reception intake.

Our Lady of Lourdes has a forecast budget surplus for both 2019/20 & 2020/21, although we are currently operating an in-year deficit. In order to address the year on year reduction in funding, we have had to reduce operating costs and staffing levels. Our Teaching Assistants have recently reduced their hours (on a voluntary

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basis) to avoid potential redundancies. We are aware further cost reductions will be required to balance our budget in the future and taking over an additional school site and staff would only exacerbate this.

There is no guarantee that all the existing pupils at St. Teresa's would transfer to OLOL as this would be subject to parental choice. However, the current staff would transfer under TUPE as part of this proposal. This would result in the immediate need to restructure with subsequent disruption, redundancy and pension strain costs, which would create an even greater and potentially catastrophic deficit for Our Lady of Lourdes. In addition we would be faced with the added operational difficulties and costs of running a split site school.

Our Lady of Lourdes has been a consistently successful school and this proposal could significantly impact on the ability to maintain high quality education going forward.

If the concern is genuinely for the provision of Catholic education then it should be noted that there is already sufficient capacity at Our Lady of Lourdes to educate the 37 Catholic pupils who currently attend St Teresa's School.

Alternative proposal:

We request that the Archdiocese and the Local Authority work in collaboration to present a financially viable alternative, rather than place Our Lady of Lourdes in an extremely difficult situation by providing a proposal which cannot be seriously considered.

We are very concerned about how we will be portrayed in the Local Community and particularly in the Parish of St. Teresa's by being forced to reject a proposal which would impact on our own financial viability, our staffing levels and morale and our ability to continue to provide quality education in the future.

For the following reasons, it seems a better solution for the community if Sefton supported St Teresa's to remain open in its own right, with its own Head, for at least three years to try to turn it around:

- Prior to 2015 St Teresa's was a school where the numbers on roll went against the demographic decline and there was no need to actively market themselves. Going forward this is an area where parents and Governors need to be very proactive and energised.
- Since the beginning of this school year the school has not had its own dedicated Head and in the previous years the stability of staffing was not as the Governors would have wanted.
- The manner in which Sefton Council announced the proposal has exacerbated the lack of confidence in both schools.

- The maladministration in the production of the proposal document which contained incorrect advice to parents in respect of frequently asked questions (No 11), and which took a month to correct, has caused confusion and further upset. Indeed parents with a paper copy still have incorrect information and many active links on Sefton's website link to the original and incorrect document.

Main Issues raised by parents at St Teresa's

Parents of Pupils at St Teresa's supported the school and did not want it to close. They spoke very highly of the support that they and their children had received. Parents said that their children have grown in confidence since attending there. The school invests highly in their pupils' mental health. Children feel valued and cared for and have benefitted from the family atmosphere, smaller class sizes and the bond they have with their teachers. They felt that losing this provision in Birkdale would be a huge mistake for the welfare and education of young people in the area.

Many members of the community and parents of pupils currently attending St Teresa's were educated there and highly valued the education they received.

Parents valued the small size of the school and chose to send their children there for that reason as they believe that not all children do well in larger schools. They said that their children were encouraged to develop a strong sense of self which they felt would not have happened in a larger school. All teachers, teaching assistants and admin staff at St Teresa's were always helpful and caring. They worried that if the school closes it will have a detrimental effect on the progress their children had made there.

Many parents referred to a "one size fits all" approach to education which they felt was not appropriate for all children.

Parents were worried about how their journeys to school would be affected as this could have a big impact on their family life.

Parents of pupils who were receiving one to one support were worried that the funding for this could be taken away.

Parents valued the strong Christian grounding and moral ethics taught at the school.

Parents said that St Teresa's should be used as an example of good teaching practice.

Parents felt that both schools need to remain open as pupil numbers may rise particularly with all the housebuilding taking place in the area. There was concern that there would be no Catholic places available.

Parents believed that the decline in numbers was due to inappropriate management and changes in leadership in the past not falling birth rates in the area and, under the right management and with more marketing, numbers could be improved.

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Concern was raised that the school is now at a disadvantage in trying to attract pupils due the publication of the proposals in the local press as parents may now feel that the school is not a valid option.

The school had received a bad press due to a bad Ofsted but it was rated 'Good' for a long time and is now rated 'Good' again. Parents felt that St Teresa's should have been given more help sooner and more should be done to promote the school. Many parents wanted the opportunity to help the school by being involved in fundraising.

Concern that the process has been rushed and there was no evidence that the proposal was going to save money as there were no financial forecasts provided at the consultation meetings.

Questions were asked about why no alternative proposals were being considered.

There was concern that the building would no longer be available for community use.

Parents were concerned that there would not be enough places available once the schools had merged.

Concern was raised about the implications that closing St Teresa's would have on traffic, parking and the effect on the environment.

Some parents said although they would prefer St Teresa's to remain as a separate school if the only way to keep it open was to "amalgamate" with Our Lady of Lourdes then they would be in favour rather than see it close completely.

Parents requested that St Teresa's should be given an adequate period of grace to allow governors with the strong support of parents, the parish and the Archdiocese to reverse the fortunes of the school and return it to the position it has enjoyed for the majority of the last 150 years. Many of them said they had been unaware that the school's finances were in deficit. They want to keep infant education in place and continue to offer the "small school feel" of St Teresa's so that children can continue to flourish there. Parents were willing to dedicate their time and effort to help St Teresa's achieve this.

Main Issues raised by parents at Our Lady of Lourdes

Parents from Our Lady of Lourdes had great empathy for the entire community of St Teresa's but they were unable to support the proposal for the closure of St Teresa's and the expansion of Our Lady of Lourdes mainly due to concern that the Council's proposal was not financially viable and will have a significant financial impact on Our Lady of Lourdes if the schools are merged as they believe its future could be seriously jeopardised.

Concern that the Council is trying to pass the debt on to Our Lady of Lourdes.

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Parents highlighted that, due to falling pupil numbers, Our Lady of Lourdes had already reduced operating costs and staffing levels. Teaching Assistants have had to reduce their hours on a voluntary basis to avoid potential redundancies.

Concern that the current financial position and the pupil numbers at both schools do not support an expansion to the admissions figure of 90 especially as there is no guarantee that all pupils from St Teresa's would transfer to Our Lady of Lourdes. Even if they do transfer this would not be enough to alleviate the financial cost of additional staff moving over to OLOL.

If the proposal goes ahead staff from St Teresa's will transfer to Our Lady of Lourdes under TUPE regulations. Concern was raised that this would require an immediate restructure with subsequent disruption, redundancy and pension costs which would create an even greater deficit for Our Lady of Lourdes. On top of this they would also have the operational difficulties and costs of running a split site school.

Concern that the current arrangement of the Head teacher of Our Lady of Lourdes acting as Executive Head of St Teresa's is creating strain on the Leadership and Management Team at OLOL and is having a detrimental effect on the daily running of the school.

Concern that the proposal could significantly impact on the ability of Our Lady of Lourdes to maintain high quality education.

Questions were asked about how a split site would operate and where pupils would be placed. Concern was expressed that a key stage would be taken away from Our Lady of Lourdes as this would take so much away from the school community and change the family atmosphere.

Concern about having to drop pupils off at two sites and that children would be transported by bus from one school to another each morning. Home school partnerships and daily contact with teachers would suffer. Walking to school should be promoted.

Parents stated that all pupils from St Teresa's could already be catered for at Our Lady of Lourdes.

Parents stated that they wanted continuous primary education in the same environment.

Concern about class sizes and whether these would increase.

Concern about outside space to accommodate additional pupils and whether break times will have to be staggered to allow pupils to have enough space to play and develop physical skills.

Parents felt that the proposal doesn't address any of the problems encountered by St Teresa's but was simply passing on the problem to Our Lady of Lourdes. They said this is a short-term solution which is not financially sustainable.

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Parents felt that St Teresa's needs to be given the opportunity to promote themselves and increase their pupil intake.

Concern that Our Lady of Lourdes is already stretched and does not have the capacity to effectively enlarge.

Concern for one to one support for pupils with SEND at Our Lady of Lourdes which is already overstretched. Cuts in funding may mean that this support is no longer available.

Concern that increasing the size of Our Lady of Lourdes will increase the traffic volume and add to parking problems and environmental issues.

A request was made that the Archdiocese and the Local Authority work in collaboration to present a financially viable alternative rather than place Our Lady of Lourdes in an extremely difficult situation by providing a proposal which they feel can't be seriously considered. They were very concerned about how the community of Our Lady of Lourdes Primary School will be portrayed in the local community and the Parish of St Teresa's by being forced to reject a proposal which would impact on their own financial viability, staffing levels and morale as well as their ability to provide quality education in the future.

Response received from Our Lady of Lourdes Parents Consultation Group

The following joint response was received by email from the Our Lady of Lourdes Parents Consultation Group which has been reproduced here in full and was also submitted by individual parents:

A Parent Consultation Group was formed following the meeting with the Archdiocese and representatives of Sefton council on 6th November 2019. Parents were very concerned about the merger outlined in Sefton's proposal and the impact it would have on Our Lady of Lourdes Catholic Primary School (LOL) and its pupils.

The Parent Consultation Group cannot support the Sefton council proposal "for the closure of St. Teresa's Catholic Infant School and expansion of Our Lady of Lourdes Catholic Primary School."

Concerns with the Archdiocese and Local Authority Proposal

- The Sefton/Archdiocese proposal states on page 8, that for any proposal to be seriously considered, 'it would need to establish, in a sustainable way, an approach to setting a balanced budget'. Therefore, by its own criteria, the proposal presented to us should not have been put forward. **It does not present an approach to setting a sustainable balanced budget.**
- Furthermore, the proposal to operate a twin site school and TUPE transfer staff could create a catastrophic deficit and jeopardise the future of Our Lady of Lourdes Catholic Primary School.

- If staff TUPE transfer to OLOL, the school will have more staff than they require. This will lead to an inevitable restructure, and redundancies.
- Having additional staff will increase the deficit for OLOL in 2020/21.
- A major concern for the school is the possible outcome of a restructure. Any staff over 55 who are made redundant, or take voluntary redundancy, are entitled to their full pension benefits immediately. **The school simply cannot afford to absorb any associated costs.** If there is a **hard closure** of the St Teresa's site and staff do not transfer, **responsibility for all pension costs will fall upon the local authority.**
- Our understanding is that the school are also liable for redundancy payments after a **restructure**. If there is a **hard closure** of the St Teresa's site and staff do not transfer, **responsibility for all redundancy payments will fall upon the local authority.**
- A twin site proposition means that a merged school will have combined deficits of 101k by the end of 2020/21. (based on 66k + 35k). The unsustainable annual deficit puts the future of OLOL school and its children at unacceptable risk.
- There is uncertainty over the geographic placement of children under a twin site proposal, following the closure of St Teresa's school. This has led several parents to question whether they would continue to place their children within OLOL and whether they would send younger, currently preschool siblings to the school. Any reduction in future intake, or loss of current pupils, places OLOL at greater risk.

Parents Proposal

Parents of OLOL would like to propose that St. Teresa's be allowed to remain open for at least four years to give them time to increase their pupil intake and return to a financially sustainable level of funding.

The following bullets summarize the reasons for this proposal:

- It was left until very late to inform the school governors of the severity of the funding crisis. This is acknowledged by Sefton council.
- Governors of St Teresa's have been disadvantaged in promoting the school to increase admission numbers because **they were told not to discuss the situation openly** when it came to light a year ago.
- Pupil numbers prior to the Ofsted report in November 2016 (which rated the school as inadequate) were sufficient to maintain a balanced budget. The school's intake figures between 2015 and 2016 were defying an overall demographic decline in birth rates.
- The school experienced a three-year period of instability from September 2016 following the retirement of the long serving head teacher. Low staff morale and high levels of staff attrition had a negative impact on the public/parental perception of the school. Intake figures declined rapidly during this time, and we have many examples of where parents opted to send children directly to Our Lady's despite their siblings having attended St.Teresa's.

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- The appointment of an executive head in 2019 has returned stability to the school and public/parental perception of the school is now very good. We expect this to have a positive impact on applications to St. Teresa's.
- Despite the above point, we believe the intake figures for September 2020 have been compromised by the mismanagement of the consultation process and press leaks about the closure of St Teresa's.
- **Stating that the school has a four-year grace period gives stability, and very importantly it means that parents applying for places in the school in September 2021 know that the school will remain open for the duration of their child's key stage 1 education.** We know from the consultation meetings at both schools, that parents would be averse to submitting an application to a school if there is a possibility they could be uprooted.
- The grace period gives governors, staff, and parents adequate time to promote the school ahead of applications for the September 2021 intake.
- The consultation meetings highlighted that parents are happy with the provision of St Teresa's. There is a clear appetite from everyone to promote the school, maintain a continuity of provision, and safeguard Catholic education in Birkdale.
- The grace period would allow governors to have the opportunity to look at other revenue streams that might support the school. These might include 2+ nursery provision, non-term time nursery provision, and 'wrap around' care. Another school in Southport, Bishop David Sheppard, proved that this is a possible route to reverse a deficit.

Secondary Proposal

If the proposal to grant a grace period to St Teresa's is rejected by Cabinet, then the parents of OLOL regretfully propose the **hard closure** of St Teresa's Infant school site.

The following bullets summarize the key aspects of this proposal:

- St. Teresa's site on Everton Road closes.
- Pupils can apply for a place at OLOL school in Grantham Road.
- Staff do not TUPE to OLOL.
- St Teresa's staff will be made redundant at the end of the 2019/20 school year or apply for roles at alternative schools.

Present Situation

Current pupil numbers on the two sites:

OLOL					St Teresa's		
Group	Max	In Class	space/surplus	ASD base	Group	Max	In Class
ASD	24	21			ASD	0	0
Nursery	40	29			Nursery	30	7
Reception	60	42	-18	3	Reception	30	17
1	60	43	-17	0	1	30	13
2	60	56	-4	5	2	30	18
3	90	76	-14	1			
4	90	81	-9	3			
5	90	89	-1	6			
6	90	81	-9	3			
Totals	540	468	-72	21			

Current Financials

- St. Teresa's if it continues to operate with its present pupil levels will have a deficit of 66k at the end of 2019/20. Sefton have stated in their proposal document that they expect St Teresa's to accrue an annual deficit of 66k. This is after reducing its budgets, as far as possible, and after agreeing to share a head teacher from September 2019 with Our Lady of Lourdes.
- Our Lady of Lourdes Catholic primary school has a forecast surplus balance for 2019/20 but is running with an in-year deficit and eating into its reserves. OLOL is expected to go into a deficit position of £35,000 by the end of 2020/21.
- The soft closure proposed by Sefton\Archdiocese and pupil\staff merger means the local authority would write off the 66k deficit from 2019/2020.

Outcome of a hard closure

With a **hard closure** of the Everton Rd site, and on the assumption that all St Teresa's pupils apply for OLOL, we will have the following pupil numbers in **Sept 20/21**.

Combined OLOL and St. Teresa's			
Group	Max	In Class	space/surplus
Nursery		35 to 37	
Reception	60	36	-24
1	60	59	-1
2	60	56	-4
3	90	74	-16
4	90	76	-14
5	90	81	-9
6	90	89	-1
Totals	540	471	-69

*Reception figure is an assumption based on 2019/20 nursery figures

- ASD numbers will not change.
- OLOL and the Archdiocese have confirmed that the 48 children can be accommodated within the year groups at Grantham Rd. This is illustrated in the table above.

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- OLOL have also confirmed that they can do this without the need for additional staff.

Future Financials

- The annual deficit of 66k for maintaining the Everton Rd site no longer exists.
- The additional 48 pupils (assuming they apply to OLOL), plus the combined reception intake of 36 pupils, minus the 81 year-6s who would move to secondary, would give OLOL a net increase of 3 pupils.
- At an estimated £3500 per child when variations like IDACI are considered, the additional income for the school is 10.5k. The £3500 figure was provided by OLOL.
- OLOL governors should continue to examine other revenue streams such as increasing nursery provision, non-term time nursery provision, and 'wrap around' care to aid deficit reduction.

Main issues raised by Local Community/Residents/Other

There was some support for the current proposal amongst the local community as a way of keeping the St Teresa's building open but many wished to see St Teresa's kept open as a school in its own right. Many of the local residents who responded did not support the proposal which they felt was not financially viable and would have a detrimental effect on Our Lady of Lourdes Primary School. They mentioned all the same issues raised by the staff and parents of Our Lady of Lourdes.

St Teresa's was described as a "gem" in the local community which had provided a high quality education over the last 150 years. The school was praised for its nurturing environment and Christian ethos where pupils had progressed and grown in confidence. Pupils can thrive there in a safe and secure environment. Local residents and former pupils stressed the need for this provision in the area. Parents in Birkdale seeking a Catholic education currently have a choice of provision depending on their child's needs. If St Teresa's closes this choice will be taken away and there will be only one "one size fits all" option.

Many of the people who responded referred to the history of the school and mentioned that there were families in Birkdale who have been attending the school for generations. They said Church members cherished the link with the school and valued the contribution of the staff and pupils who regularly take part in family Masses. The school hall is used for tea after Mass, meetings, social and fundraising gatherings and the Summer and Christmas fairs. They felt that the school benefits the whole community in that area of Birkdale. If the school closes it will rip the heart out of the local community.

Leadership issues since 2015 were blamed for the decline in pupil numbers and subsequent budget deficit.

Local residents stressed the importance of having local provision for nursery and infant pupils which allows pupils to walk to school which reduces carbon emissions and is better for the environment. Concern was expressed about the distance

between St Teresa's and Our Lady of Lourdes as not everyone has a car and there is no bus service. It would be a long walk for nursery and infant children.

Local residents confirmed that the area around Our Lady of Lourdes was already severely congested at school drop off and pick up times.

The housing developments at Kew and Birkdale were cited as a reason for keeping the school open as residents felt that more school places would be needed in the future.

Concern about what would happen to the building if St Teresa's closes.

There was concern about how this proposal could directly affect future pupil numbers at Christ the King Catholic High School in Southport.

St Teresa's is an excellent example of providing a Catholic education as an integral part of a thriving and committed Parish community. A strong Parish community revolving around church and school is essential when communities are struggling to survive. A school closure can have a negative impact on this.

St Teresa's and Our Lady of Lourdes are good schools with strong links and good relationships but they serve two very distinct communities.

Local residents also requested a period of grace for St Teresa's to allow them to consolidate, market themselves and investigate other possible additional funding sources and determine if they can offer additional services to parents such as wrap around care and holiday clubs. They felt that, as there is now a new hierarchy and a more stable staff, positive marketing could attract more pupils to the school. It was highlighted that both main political parties have pledged additional funding to schools in their election manifestos and this mandate was a further reason for the Council to give St Teresa's more time. It was suggested that any decisions regarding the long-term future of St Teresa's should be made in a longer time frame to allow a detailed and robust analysis of emerging issues including proposed plans for housing in the area. It should be part of a policy plan for Catholic education.

Other alternative proposals

The following proposals were also suggested during the consultation:

As previously mentioned above many respondents requested that St Teresa's be allowed a period of grace to enable them to market themselves and increase their pupil numbers.

Close St Teresa's and teach all children at Our Lady of Lourdes with 60 places per year group from Reception to Year 6.

Keep St Teresa's open and allow pupils to stay there until Year 6. 15 places per year group with four split year group classes e.g. Nursery/Reception, Y1/Y2, Y3/Y4, Y5/Y6. This would mean 75 places per year group between both schools and each

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school could run independently. Birkdale would have a “real” village school which would appeal to many and have something different to offer.

There are a considerable number of pupils with special needs, emotional and social and behavioural difficulties struggling to cope in our local schools. Could St Teresa’s and its hardworking and dedicated staff be better utilised by the Authority to address this need and offer places to children who need a more specialised setting.

Close St Teresa’s and turn it into a pupil referral unit or education centre for pupils who can’t cope in a mainstream setting. This would create jobs for some of the St Teresa’s staff. The building could be used to support children with mental health issues (not necessarily SEN) who require a nurturing -based education. Such provision is much needed in the Southport area

St Teresa’s Governing Body Alternative Proposal

The following full alternative proposal was received from the governing body of St Teresa’s Catholic Infant School on 18th December 2019:

Dear Ms Davies

Governing Body Alternative Proposal - Sefton Council Consultation

The governing body has considered various options to secure the future of our school and has decided the best way forward would be to increase the provision of education at St Teresa’s from year 2 up to year 6. This would mean that pupils would no longer need to move to a junior school in year 3 but instead continue their education here. This process would roll out with year 3 initially in September 2020.

There would need to be a reduction in the number of Reception places available in September 2020 from 30 to 15, to ensure that there would be enough room for this increased provision. We have also requested that the Archdiocese second an experienced head teacher to lead our school in this exciting time of change.

As a governing body, we consider this new proposal will enable us to continue to invest in high quality staff and maintain our high standards of education. In spite of the new increased educational provision, St Teresa’s will remain the same small village school that parents have chosen to entrust their children to, but this proposal will safeguard the future of the school, allowing it to go from strength to strength. It also offers parents a choice of provision for their children at junior school level that doesn’t currently exist.

The changes in provision outlined above are obviously subject to any necessary consultation and require the agreement of Sefton Council. We do consider it to be financially viable and attach budget projections which have been produced by Sefton Council Finance to illustrate this. It must be noted that it may take four years for the new provision to be fully embedded in the school and during that time, the anticipated in year deficit budget will drop dramatically from 69,000 in 2020/21 to a surplus of 33,000 in 2023/24. At this stage, the school will be able to reduce and then clear the estimated deficit balance. We appreciate that is a medium -term plan but this is because the roll out of the extended education provision will take four years.

We do anticipate attracting income in addition to that already included in the budget forecast produced. We are actively seeking out opportunities for letting the school premises, and the

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parents of children in the school, along with members of the Parish community, are forming a "Friends of St Teresa's Association" which will actively fundraise for the school. We are extremely fortunate to have such proactive parents and such a supportive parish community.

We feel that this alternative proposal for St Teresa's school is financially preferable to closing the school in August 2020. Such a closure would mean that the council would immediately have to meet the costs of any budget deficit at that point (likely to be in the region of £100,000) and the substantial redundancy and capital costs associated with the loss of 18 jobs which have been estimated by Sefton Personnel at £214,000.

Yours sincerely,

Laura McCormick
Chair of Governors
St Teresa's School

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Report to:	Cabinet	Date of Meeting:	5 March 2020
Subject:	Revenue and Capital Budget Update 2019/20 - March		
Report of:	Executive Director Corporate Resources & Customer Services	Wards Affected:	(All Wards);
Portfolio:	Cabinet Member - Regulatory, Compliance and Corporate Services		
Is this a Key Decision:	Yes	Included in Forward Plan:	Yes
Exempt / Confidential Report:	No		

Summary:

To inform **Cabinet** of:

1. The current forecast revenue outturn position for the Council for 2019/20;
2. The current forecast on Council Tax and Business Rates collection for 2019/20;
3. The monitoring position of the Council's capital programme to the end of January 2020:
 - The forecast expenditure to year end;
 - Variations against the approved budgets and an explanation of those variations for consideration by Members;
 - Updates to spending profiles and proposed amendments to capital budgets necessary to ensure the efficient delivery of capital projects are also presented for approval.

Recommendation(s):

Cabinet is recommended to:

Revenue Budget

- 1) Note the current forecast revenue outturn position for 2019/20 and the current position relating to delivery of savings included in the 2019/20 revenue budget;
- 2) Note the mitigating measures being used to partially mitigate the forecast outturn position, in paragraph 2.2, excluding a forecast deficit on Housing Benefits which will be considered at the end of the financial year if it materialises;
- 3) Acknowledge that the forecast outturn position will continue to be reviewed to ensure a balanced forecast outturn position can be achieved or understand a potential call of General Fund Balances;

Capital Programme

- 4) Review updates to spending profiles across financial years (paragraph 5.1.1);

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- 5) Review the new schemes approved by Council and added to the Capital Programme for 2019/20 and 2020/21 (paragraphs 5.1.2 and 5.1.3);
- 6) Note the latest capital expenditure position as at 31 January 2020 of £13.718m (paragraph 5.2.2) with the latest full year forecast being £21.823m (paragraph 5.2.4);
- 7) Note explanations of variances to project budgets (paragraph 5.2.5); and,
- 8) Acknowledge that capital resources will be managed by the Executive Director Corporate Resources and Customer Services to ensure the capital programme remains fully funded and that capital funding arrangements secure the maximum financial benefit to the Council (section 5.4).

Reasons for the Recommendation(s):

To ensure Cabinet are informed of the forecast outturn position for the 2019/2020 Revenue Budget as at the end of January 2020, including delivery of agreed savings, and to provide an updated forecast of the outturn position with regard to the collection of Council Tax and Business Rates.

To keep members informed of the progress of the Capital Programme against the profiled budget for 2019/20 and agreed allocations for future years.

To progress any changes that are required in order to maintain a relevant and accurate budget profile necessary for effective monitoring of the Capital Programme.

To approve any updates to funding resources so that they can be applied to capital schemes in the delivery of the Council's overall capital strategy.

In March 2017 Council approved a three-year budget plan to March 2020. The final year of this plan was revised in February 2019 as part of the process of setting the 2019/20 budget. The Council is in the final year of the budget plan and remains confident its strategic approach to budget planning alongside good financial management and extensive community engagement means that the plan continues to develop on solid foundations; it remains flexible and will secure the future sustainability to 2020 and beyond. However, in year demand for social care services is currently resulting in the costs for these services significantly exceeding the budget. If further budget pressures are identified between now and the end of the year additional remedial action will be required to bring the overall budget into balance.

Alternative Options Considered and Rejected: (including any Risk Implications)

N/A

What will it cost and how will it be financed?

(A) Revenue Costs

The report indicates that for 2019/20 there is currently a forecast deficit of £3.179m. Mitigating measures have been identified in order to partially meet this deficit (excluding a forecast overspend on Housing Benefits which will be considered at outturn if this materialises) and are detailed within the report. The current residual forecast deficit is £0.181m. If this remains at the end of the financial year this will be a call on the Council's General Balances.

(B) Capital Costs

The Council's capital budget in 2019/20 is now £21.889m. As at the end of January 2020 expenditure of £13.718m has been incurred and a full year outturn of £21.823m is currently forecast.

Implications of the Proposals:

The following implications of this proposal have been considered and where there are specific implications, these are set out as follows:

Resource Implications (Financial, IT, Staffing and Assets):
There is currently a budget shortfall of £3.179m forecast for 2019/20 and as previously reported, mitigating actions have been identified in order to address the majority of this (with the exception of a forecast overspend on Housing Benefits which will be considered at outturn if the position doesn't improve). The current residual forecast deficit is £0.181m. However, it should be noted that significant pressure and risk remains in four key business areas, namely Adults and Children's Social Care, Education Excellence and Locality Services. These budgets may experience further demand pressure between now and the end of the year and further mitigations and remedial actions will be required in such an eventuality, if the existing measures aren't sufficient.
Legal Implications:
None
Equality Implications:
None

Contribution to the Council's Core Purpose:

Effective Financial Management and the development and delivery of sustainable annual budgets support each theme of the Councils Core Purpose.

<u>Protect the most vulnerable:</u>
See comment above
<u>Facilitate confident and resilient communities:</u>
See comment above
<u>Commission, broker and provide core services:</u>
See comment above
<u>Place – leadership and influencer:</u>
See comment above
<u>Drivers of change and reform:</u>
See comment above
<u>Facilitate sustainable economic prosperity:</u>
See comment above

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<u>Greater income for social investment:</u>

See comment above

<u>Cleaner Greener:</u>

See comment above

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Executive Director Corporate Resources & Customer Services is the author of the report (FD 5958/20)

The Chief Legal and Democratic Officer has been consulted and has no comments on the report (LD 4141/20).

(B) External Consultations

N/A

Implementation Date for the Decision

Following the expiry of the “call-in” period for the Minutes of the Cabinet Meeting.

Contact Officer:	Paul Reilly
Telephone Number:	Tel: 0151 934 4106
Email Address:	paul.reilly@sefton.gov.uk

Appendices:

APPENDIX A – Capital Programme 2019/20 to 2021/22

APPENDIX B – Additional Capital Estimates Approved by Council 23 January 2020

Background Papers:

There are no background papers available for inspection.

1. Introduction

- 1.1 In March 2017, Council approved a three-year budget plan to March 2020. The final year of this plan was revised in February 2019 as part of the process of the Council setting the 2019/20 budget. This report updates the forecast revenue outturn position for 2019/20, including the delivery of savings included in the 2019/20 budget.
- 1.2 The report also outlines the current position regarding key income streams for the Authority, namely Council Tax and Business Rates. Variations against expected receipts in these two areas will also affect the Council's financial position in future years.
- 1.3 The capital section of the report informs members of the latest estimate of capital expenditure for 2019/20 and updates forecast expenditure for 2020/21, 2021/22 and future years. The capital budget to date is presented in section 5.1. Sections 5.2 and 5.3 review progress of the capital programme, and section 5.4 confirms that there are adequate levels of resources available to finance the capital programme.

2. Summary of the Forecast Outturn Position as at the end of January 2020

- 1.0 Members are provided with updates of the Council's forecast financial position each month during the financial year. Significant pressures have been identified in several service areas, particularly Children's Social Care, Locality Services and Home to School Transport. The latest forecast of service expenditure indicates an overspend of £3.179m, this represents a worsening of the overall position by £0.098m on the previous month. The table below highlights the variations:

	Budget	Forecast Outturn	Variance	Previously Reported Position	Movement since last month
	£m	£m	£m	£m	£m
<u>Services</u>					
Strategic Management	3.187	3.004	-0.183	-0.174	-0.009
Strategic Support	2.709	2.619	-0.090	-0.071	-0.019
Adult Social Care	96.765	96.765	0.000	0.000	0.000
Children's Social Care	33.340	35.685	2.345	2.245	0.100
Communities	19.518	19.605	0.087	0.060	0.027
Corporate Resources	4.884	4.786	-0.098	-0.101	0.003
Economic Growth & Housing	6.045	6.032	-0.013	-0.011	-0.002
Education Excellence	9.859	10.111	0.252	0.216	0.036
Health & Wellbeing	18.060	17.795	-0.265	-0.210	-0.055
Highways & Public Protection	11.133	11.058	-0.075	-0.040	-0.035
Locality Services	13.809	14.018	0.209	0.000	0.209
Total Service Net Expenditure	219.309	221.478	2.169	1.914	0.255

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Provision relating to 2018/19 Service Pressures	0.000	0.000	0.000	0.000	0.000
Budget Pressure Fund	1.000	1.000	0.000	0.000	0.000
Public Sector Reform Savings not allocated to services (see para 2.3)	(0.950)	0.000	0.950	0.950	0.000
Council Wide Budgets	6.603	6.663	0.060	0.217	-0.157
Levies	34.156	34.156	0.000	0.000	0.000
General Government Grants	(40.979)	(40.979)	0.000	0.000	0.000
Total Net Expenditure	219.139	222.318			
Forecast Year-End Deficit			3.179	3.081	0.098

1.1 The key forecast variations in the outturn position, including any significant variations from the November position, are as follows: -

- Children's Social Care (£2.345m net overspend)** – The Placement and Packages budget overspent within the service by £5.612m in 2018/19. As a result, this equates to a full year effect in 2019/20 of £7.495m that also reflects a further increase in the number of Looked After Children. This budget pressure was identified in the budget report of February 2019 and an allocation of £4.900m from the *Provision relating to 2018/19 Service Pressures* has reduced the forecast overspend to £2.595m, with this being offset by underspends elsewhere within the service totalling £0.250m. This current position on Placements and Packages is an increase of £0.085m compared to December and mainly reflects the additional costs in respect of four placements that have arisen during the month.

As has been regularly reported over the last two years, the cost of Placements and Packages is the largest risk to the Council's budget position, and it is expected that the position will be the subject of further change between now and the year end. The Council is currently working on developing a range of options to address the inherent demand and costs of Looked After Children whilst supporting the most vulnerable residents. Any financial impact from the proposals during the current year will be built into the year end forecast and next years budget.

- Education Excellence (£0.252m overspend)** - Home to School transport external provision has a projected overspend of £2.227m. This budget overspent by £1.817m in 2018/19 but is forecast to overspend by a further £0.410m due to the full year effect of the increased costs of new external transport contract, an allocation of £1.800m from the *Provision relating to 2018/19 Service Pressures* has reduced the forecast overspend to £0.427m. In addition, there are net underspends across other areas of the service totalling £0.175m.
- Health and Wellbeing (£0.265m underspend)** – There is a net underspending on the service as a result of vacancy savings and underspends on specific contracts.
- Locality Services (£0.209m overspend)** – Some of the service pressures experienced in 2018/19 have continued into 2019/20.

- Security Service (£0.682m overspend) – The forecast deficit is a reflection of an under recovery of income to support the cost base. The forecast overspend is based on a prudent view of the income due. The Service has been undertaking an exercise to review the level of income expected to be due in the year. This review will continue, the outcome of which will be reflected in next month’s position.
- Green Sefton (£0.088m overspend) - The service was expected to achieve savings of £0.330m in 2019/20. Plans to increase income within the Golf courses will not be achieved in the current year as improvements to the courses to encourage customers are not expected until 2020/21.
- Burial and Cremation Service (£0.150m underspend) – The service is forecast to achieve additional income in the year.
- Cleansing (£0.254m underspend) – The underspend is mainly due to increased forecast recycling credits (£0.059m) and a reduction in vehicle maintenance costs of the cleansing fleet (£0.169m).
- The net overspend on the above functions have been reduced by a net underspend of £0.157m elsewhere within the service.

Mitigating actions are still being implemented which should reduce the forecast outturn overspend. These include temporarily reducing non-essential expenditure on supplies and services and repairs and maintenance. The outcome of the Security Service income review mentioned above will determine whether the forecast outturn can be contained within the available budget. However, given there are only two months remaining of the financial year it is considered prudent to include the current forecast overspend in the Council’s overall monitoring position.

- **Public Sector Reform Savings not allocated to services (£0.950m overspend)**
– see paragraph 2.3 below.
- **Council Wide Budgets (£0.060m)** – Housing Benefits is forecast to overspend by £0.248m due to reductions in subsidy relating to certain types of expenditure. However, this budget is difficult to forecast given the complexities of the subsidy claim and as such there is extreme volatility in this budget with the final position not being able to be predicted until year end. There are other net underspends of £0.188m within Council Wide budgets.

Savings Delivery

1.2 The 2019/20 Budget included £9.803m of savings from Public Sector Reform (PSR) projects. Current forecasts are that £8.853m of savings will be deliverable in the year (90%). An analysis of the overall savings for 2019/20 are shown in the summary below:

	Total Saving 2019/20	Forecast - Achieved In 2019/20	Forecast – Not Achieved 2019/20
	£m	£m	£m
PSR1 - Acute Wrap Around	0.230	0.000	0.230
PSR2 – Locality Teams	4.408	4.408	0.000

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PSR4 - All Age Pathway	0.089	0.089	0.000
PSR6 - Commercialisation	0.405	0.405	0.000
PSR8 – Asset Maximisation	0.512	0.512	0.000
PSR9 – ICT & Digital Inclusion	3.439	3.439	0.000
PSR10 - Commissioning	0.720	0.000	0.720
Total PSR Projects	9.803	8.853	0.950

- 1.3 The shortfall on the achievement of savings shown in the table is included in the forecast outturn position shown in paragraph 2.1.
- 1.4 In addition, service budget options of £2.269m were approved for 2019/20. These have been built into service budgets and any shortfall in achievement of these savings is included in the forecast outturn position for each service.

Measures to close the residual gap in 2019/20

- 1.5 The forecast budget deficit as at January 2020 is **£3.179m**. This reflects the risks that were inherent in the Council's financial position, particularly around demand for Children's Social Care and other demand led services. Major Services Reviews have commenced for Adult Social Care, Children's Social Care, Education Excellence and Locality Services with a view to reduce this budget pressure where possible.
- 1.6 The budget for 2019/20 includes a Budget Pressures Fund of £1.000m. Council gave delegated authority to the Chief Executive and the Head of Corporate Resources, in conjunction with the Leader of the Council, to allocate this Fund. Cabinet, at their meeting on 7 November 2019, have noted the allocation of the £1.000m to support the budget pressure identified and contribute to balancing the forecast outturn position.
- 1.7 The net forecast outturn position for 2019/20 is therefore:

	£m
Forecast Year-End Deficit (Paragraph 2.1)	3.179
Business Rates Reserve increase (previously noted by Cabinet on 5 September 2019)	-1.750
Budget Pressures Fund	-1.000
Forecast Year-End Deficit	0.429

- 1.8 As mentioned in paragraph 2.2, the forecast outturn position includes an overspend of £0.248m relating to Housing Benefits. This budget is difficult to forecast given the complexities of the Subsidy claim. The position will be monitored during the remainder of the year with any overspend at the end of the year considered as part of the Council's overall outturn position.
- 1.9 The above table shows a deficit forecast outturn position (excluding the Housing Benefits forecast) of **£0.181m**. As previously reported, there are risks still inherent

in this position, particularly relating to Looked After Children, meaning the position may worsen further during the year. Looked After Children numbers have increased by 40 since the start of the year, adding £1.500m to the forecast. It is expected that the position will be the subject of further change between now and the year end.

1.10 Following approval by Cabinet on 5 December 2019, the following mitigating actions were implemented:

- To not fill current vacant posts or posts as they become vacant (excluding essential posts in Children's Social Care); and,
- A freeze on all but essential expenditure between now and the end of the financial year.

1.11 The estimated impact of these measures, excluding the effect of not filling posts as they become vacant, are built into the forecast in paragraph 2.1. An exercise with Heads of Service was undertaken to ensure the robustness of all estimates and identify what remedial measures will be implemented. The forecast overspend has increased slightly this month to £0.181m, although this may worsen if current trends on numbers of Looked After Children continue. This position will continue to be reviewed and if it does worsen other appropriate measures may be required to ensure a balanced forecast outturn position will be achieved.

1.12 In the event that the forecast outturn position worsens, and other measures cannot be identified, a balanced outturn position may not be deliverable. This would lead to a call on the Council's low level of General Fund Balances. As such, identifying appropriate measures may be critical to support financial sustainability within the Council and difficult decisions may be required between now and the end of the financial year and could have a material impact on next year's budget.

2 Council Tax Income – Update

3.1 Council Tax income is shared between the billing authority (Sefton Council) and the three major precepting authorities (the Fire and Rescue Authority, the Police and Crime Commissioner and the Combined Authority – Mayoral Precept) pro-rata to their demand on the Collection Fund. The Council's Budget included a Council Tax Requirement of £133.099m for 2019/20 (including Parish Precepts), which represents 84.1% of the net Council Tax income of £158.306m.

3.2 The forecast outturn for the Council at the end of January 2020 is a deficit of +£1.971m. This variation is primarily due to: -

- The surplus on the fund at the end of 2018/19 being lower than estimated (+£0.151m);
- Gross Council Tax Charges in 2019/20 being higher than estimated (-£0.415m);
- Exemptions and Discounts (including a forecasting adjustment) being higher than estimated (+£0.346m);

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- A review of the bad debt provision has identified that an increase is required to reflect a reassessment of the collectability of debt outstanding (+£1.889m).

3.3 Due to Collection Fund regulations, the Council Tax deficit will not be transferred to the General Fund in 2019/20 but will be carried forward to be recovered in future years.

3.4 A forecast surplus of £1.160m was declared on the 15 January 2019 of which Sefton's share is £0.996m (85.8%). This is the amount that will be distributed from the Collection Fund in 2019/20. Any additional surplus or deficit will be distributed in 2020/21.

4 Business Rates Income – Update

4.1 Since 1 April 2017, Business Rates income has been shared between the Council (99%) and the Fire and Rescue Authority (1%). The Council's Budget included retained Business Rates income of £64.739m for 2019/20, which represents 99% of the net Business Rates income of £65.393m. Business Rates income has historically been very volatile making it difficult to forecast accurately.

4.2 The forecast outturn for the Council at the end of January 2020 is a surplus of -£0.605m on Business Rates income. This is due to:

- The surplus on the fund at the end of 2018/19 being higher than estimated (-£0.092m);
- Increase in the gross charge on rateable properties (-£0.504m);
- Other reliefs (including a forecasting adjustment) being lower than estimated in 2019/20 (-£0.496m);
- An increase in the provision for appeals following a significant refund in 2019/2020 (+£0.487m).

4.3 Due to Collection Fund regulations, the Business Rates surplus will not be transferred to the General Fund in 2019/20 but will be carried forward to be distributed in future years. However, £0.340m of the surplus forecast in paragraph 4.2 will be required to offset the shortfall in Section 31 grants due to certain reliefs being lower than estimated in 2019/20.

4.4 A forecast surplus of £1.768m was declared in January 2019. Sefton's share of this is -£1.750m which is made up of an amount brought forward from 2017/18 (-£2.169m) and the impact of variations in 2018/19 (+£0.419m). This is the amount that will be distributed from the Collection Fund in 2019/20 and any additional surplus or deficit will be distributed in 2020/21.

5 Capital Programme 2019/20 – 2021/22 & Future Years

5.1 Capital Budget

1.1.1. The Capital Budget and profile of expenditure for the three years 2019/20 to 2021/22 is:

2019/20	£21.889m
2020/21	£23.963m
2021/22	£0.629m

1.1.2. The following new schemes, approved by Council on 23 January 2020 for inclusion in the capital programme, are shown in the budget figures above:

- i. Growth and Strategic Investment Programme:
 - Strategic Acquisitions – Land at Bootle £0.999m
 - Cambridge Road Centre Redevelopment £1.145m
 - Crosby Lakeside Activity Centre (CLAC) £3.100m
- ii. Invest to Save – Winter Service Facility £2.632m
- iii. Traditional Capital Programme – Essential Maintenance:
 - Victoria Baths essential works £0.570m
 - STCC essential works £1.244m

1.1.3. Further information regarding the new allocations noted in 5.1.2 can be found in the report to Council (23 January 2020). In addition to the above, the same report approved £2.680m to be allocated to the Transport programme, £2.834m to be allocated to Council Wide Essential Maintenance and £0.750m to the Bootle and Southport Town Centre Commission. The Capital Programme will be updated further when this funding is allocated to specific schemes and the 2020/21 programme is fully developed. A complete list of additional capital allocations and how they are to be funded, approved by Council on 23 January 2020, can be found at Appendix B.

1.2. Budget Monitoring Position to January 2020

1.2.1. The current position of expenditure against the budget profile to the end of January 2020 is shown in the table below. It should be noted that budgets are profiled over the financial year which skews expenditure over quarters three to four.

1.2.2. The budget for each capital scheme is profiled depending on when works are expected to be carried out. For example, Education Excellence carries out most of its capital works during key school’s holiday periods such as the summer recess (quarter 2), whilst Highways and Public Protection completes most of its programmed works during quarters 2 and 4. The budget to date in the table below reflects the profiles of each individual scheme.

Service Area	Budget to Jan-20	Actual Expenditure to Jan-20	Variance to Jan-20
	£m	£m	£m
Adult Social Care	2.093	1.913	-0.180
Communities	0.145	0.119	-0.026
Corporate Resources	0.800	0.778	-0.022

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Economic Growth & Housing	0.125	0.122	-0.003
Education Excellence	2.246	2.191	-0.055
Highways & Public Protection	7.301	7.266	-0.035
Locality Services	1.740	1.328	-0.412
Total Programme	14.450	13.718	-0.732

1.2.3. Analysis of significant spend variations over (+) / under (-) budget profile:

Education Excellence

Scheme	Variation	Reason	Action Plan
Hudson Primary – Heating Ducts	-£58,264	Due to the complexities of the scheme, work is being done in the evenings and weekends leading to some variability in expenditure when compared to the profile.	None required – the project is still expected to complete on budget.

Locality Services

Scheme	Variation	Reason	Action Plan
Vehicle Replacement Programme	-£461,731	Delays in delivery of new vehicles due to long waiting lists with suppliers and time needed to fit specialist vehicle bodies to bin wagons.	Delivery of vehicles will take place before the end of the financial year.

1.2.4. The current forecast of expenditure against the budget profile to the end of 2019/20 and the profile of budgets for future years is shown in the table below:

Service Area	Full Year Budget 2019/20	Forecast Out-turn	Variance to Budget	Full Year Budget 2020/21	Full Year Budget 2021/22
	£m	£m	£m	£m	£m
Adult Social Care	3.004	2.920	-0.084	-	-
Communities	0.353	0.351	-0.002	0.411	-
Corporate Resources	0.952	0.954	0.002	2.793	-
Economic Growth & Housing	1.145	1.145	-	4.564	-
Education Excellence	2.920	2.918	-0.002	9.286	0.090
Highways & Public Protection	11.100	11.289	0.189	5.344	-
Locality Services	2.415	2.247	-0.168	1.565	0.539
Total Programme	21.889	21.823	-0.065	23.963	0.629

A full list of the capital programme by capital scheme is at **appendix A**.

1.2.5. Analysis of significant spend variations over budget profile in 2019/20:

Adult Social Care

Scheme	Variation	Reason	Action Plan
DFG Home Improvements	-£81,939	Based on the average number of referrals being received each month, there will be a minor underachievement of the target spend by year end.	The number of referrals received during January has increased when compared to the previous month so this is a sign that spend could increase. The number of referrals will continue to be monitored and estimates adjusted accordingly.

Highways & Public Protection

Scheme	Variation	Reason	Action Plan
M58 Junction 1 Improvements	£188,540	Delays to the project due to longer than anticipated time to secure the land. Contractual payments had to be made to the contractor in the interim. Additional redesign costs have also been incurred. The total forecast overspend is currently £930k over 2019/20 and 2020/21.	Additional funding of £500k has been secured from the Combined Authority. The remaining shortfall of £430k will be funded from additional contributions to the Capital Programme from Council Resources in 2019/20 and 2020/21 although additional contributions may be required (see section 5 below).

Locality Services

Scheme	Variation	Reason	Action Plan
Vehicle Replacement Programme	-£167,916	The ordering of several Green Sefton vehicles has been delayed whilst operational requirements are reviewed.	The vehicles will be purchased during 2020/21 financial year.

1.3. M58 Junction 1 Update

- 1.3.1. During the construction process a number of issues have emerged which have affected the ability to realise value engineering opportunities within the project. Material identified for re-use has been of poorer quality than envisaged, the contractor wasn't able to retain excavated material within landscape mounds and the topsoil hasn't been saleable. Added to the above, the weather conditions have been poorer than anticipated affecting progress.
- 1.3.2. The contractor and Council's site team have been concentrating efforts on establishing both the scheme outturn cost and the likely cost. The contractor has been providing information in support of claims for additional costs and these are being reviewed.

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- 1.3.3. If the contractor's claims for additional costs are deemed to be reasonable, then an additional contribution from the Council may be required. This is in addition to the variation identified in paragraph 5.2.5 above. Officers are currently exploring options for additional funding.
- 1.3.4. A further update will be provided once the revised outturn cost of the scheme has been fully appraised and options for any necessary additional funding have been explored.

1.4. Programme Funding

- 1.4.1. The table below shows a how the capital programme will be funding in 2019/20:

Source	£m
Grants	18.527
Contributions (incl. Section 106)	1.162
Capital Receipts	0.211
Prudential Borrowing	1.989
Total Programme Funding	21.889

- 1.4.2. The programme is reviewed on an ongoing basis to confirm the capital resources required to finance capital expenditure are in place, the future years programme is fully funded, and the level of prudential borrowing remains affordable subject to the issue raised in paragraph 5.3.
- 1.4.3. The Executive Director Corporate Resources and Customer Services will continue to manage the financing of the programme to ensure the final capital funding arrangements secure the maximum financial benefit to the Council.

APPENDIX A – Capital Programme 2019/20 to 2021/22

Capital Project	Budget		
	2019/20 £	2020/21 £	2021/22 £
Adult Social Care			
Adult Social Care IT Infrastructure	44,020	-	-
South Hub	11,257	-	-
Primary Care Integration	39,500	-	-
Core DFG Programme	1,824,000	-	-
Wider Social Care Programme	1,084,722	-	-
Communities			
Atkinson Studio Stage	11,929	-	-
Dunes All Weather Pitches - Invest to Save	13,083	-	-
Crosby Lakeside Adventure Centre Water Sports	58,077	17,080	-
Formby Library Improvements	-	6,620	-
Libraries - Centres of Excellence	-	345,237	-
Bootle Library	-	42,372	-
S106 Molyneux Ward - Rainbow Park Improvement Works	26,211	-	-
S106 Litherland Ward - Caged Tipper	44,640	-	-
S106 Linacre Ward - Mobile CCTV	18,000	-	-
S106 Derby Ward - South Park Hut Extension	34,518	-	-
S106 St Oswald's - Marian Gardens Redevelopment	66,466	-	-
S106 Netherton & Orrell - Abbeyfield Park Play Area	27,327	-	-
S106 Cambridge - Hesketh Park Improvement Works	35,050	-	-
S106 Ainsdale - Ainsdale Village CCTV	18,000	-	-
Corporate Resources			
Corporate Maintenance	93,022	20,000	-
STCC Essential Maintenance	95,472	1,368,246	-
STCC Sound & Lighting Equipment	80,500	-	-
St John Stone Site - Infrastructure Works	-	623,210	-
Merton House Dilapidation	460,000	-	-
Victoria Baths Essential Works	-	570,000	-
Magdalen House Alterations	61,587	83,392	-
Meadows Community Base	3,645	2,683	-
Aintree Community Base	5,815	1,968	-
NAC Community Base	2,511	18,499	-
Southport Town Hall Community Base	26,477	5,373	-
Family Wellbeing Centres	122,816	100,000	-
Economic Growth & Housing			
Marian Square, Netherton CCTV	-	40,405	-
REECH Project	-	37,162	-

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	2019/20 £	2020/21 £	2021/22 £
Southport Commerce Park - 3rd Phase Development	-	13,173	-
Housing Investment (HMRI)	34,800	56,980	-
Southport Pier Project	111,515	170,688	-
Strategic Acquisitions - Land at Bootle	998,500	-	-
Cambridge Road Centre Redevelopment	-	1,145,000	-
Crosby Lakeside (CLAC) Redevelopment	-	3,100,000	-
Education Excellence			
Healthy Pupils Fund	178,000	-	-
Schools Programme	2,386,742	3,607,545	90,354
Planned Maintenance	207,253	4,620,312	-
Special Educational Needs & Disabilities	148,329	1,058,171	-
Highways and Public Protection			
Accessibility	145,000	-	-
Completing Schemes/Retentions	32,250	-	-
Healthy Lifestyles	460,000	1,205,000	-
Road Safety	29,834	90,166	-
A565 Route Management and Parking	720,000	-	-
Strategic Planning	303,822	160,168	-
Traffic Management and Parking	1,350,000	1,052,500	-
Highway Maintenance	2,039,446	-	-
Bridges & Structures	188,000	55,110	-
Drainage	50,000	-	-
Street Lighting Maintenance	475,000	-	-
UTC Maintenance	100,000	-	-
Winter Service Facility	-	2,632,000	-
Major Transport Schemes	5,206,662	148,763	-
Locality Services			
Thornton Garden of Rest Improvements	3,692	-	-
Burials & Cremation Insourcing - Vehicles & Equipment	-	200,000	-
Formby Strategic Flood Risk Management Programme	-	44,141	-
Merseyside Groundwater Study	-	31,508	-
Four Acres Multi Agency Flood Options	3,352	-	-
CERMS	710,830	358,336	-
Natural Flood Risk Management	-	10,000	-
The Pool & Nile Watercourses	58,602	55,000	-
Crosby Flood & Coastal Scheme	324,285	340,852	500,000
Seaforth & Litherland Strategic Flood Risk	-	30,000	-
Hall Road & Alt Training Bank - Rock Armour	-	50,000	-
Ainsdale & Birkdale Land Drainage Scheme	-	30,000	-
Surface Water Management Plan	60,000	110,000	-

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	2019/20 £	2020/21 £	2021/22 £
Parks Schemes	46,773	265,815	-
Tree Planting Programme	77,185	39,174	38,600
Vehicle Replacement Programme	1,130,614	-	-
TOTAL PROGRAMME	21,889,131	23,962,649	628,954

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APPENDIX B – Additional Capital Estimates Approved by Council 23 January 2020

Programme / Project	Estimate £m
Growth and Strategic Investment Programme	
Strategic Acquisitions - Land at Bootle	0.999
Bootle & Southport Town Centre Commission	0.750
Cambridge Road Centre Redevelopment	1.145
Crosby Lakeside Activity Centre (CLAC)	3.100
Traditional Capital Programme	
Transport Contributions	2.680
Essential Maintenance - Victoria Baths essential works	0.570
Essential Maintenance - STCC essential works	1.244
Essential Maintenance - Council wide programme	2.834
Invest to Save	
Winter Service Facility	2.632
Total	15.954

Source of Funding	Estimate £m
Grants and Contributions	5.994
Capital Receipts	7.328
Prudential Borrowing	2.632
Total	15.954

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Report to:	Cabinet	Date of Meeting:	5 March 2020
Subject:	Local Government Association Peer Review – Action Plan Update		
Report of:	Chief Executive	Wards Affected:	(All Wards);
Portfolio:	Leader of the Council		
Is this a Key Decision:	No	Included in Forward Plan:	No
Exempt / Confidential Report:	No		

Summary:

Following the 2018 LGA Peer Assessment, this report sets out progress against the Cabinet Approved action plan responding to the peer team's recommendations. It is presented for Cabinet comments and endorsement.

Recommendation(s):

Cabinet is asked to:

- (1) consider an annual reporting mechanism in line with the reporting of the financial outturn in June, commencing in June 2020; and
- (2) agree that future monitoring of activity falls within the scope of the Council's Framework for Change programme

Reasons for the Recommendation(s):

Peer Reviews are a proven tool for sector-led improvement and the Council has always been open to learning from others and sharing good practice. The peer challenge in 2018 provided external recognition of the things it believes the Council is doing well, highlighted where the Council can learn from other councils considering best practice elsewhere and recommended several key actions. In January 2019 Cabinet considered and agreed an action plan responding to the Peer Team's recommendations.

This report seeks to keep Members informed of the progress. The LGA will follow up the initial review with a visit within 18 months to 2 years to assess progress against their recommendations.

Alternative Options Considered and Rejected: (including any Risk Implications)

Not appropriate

What will it cost and how will it be financed?

(A) Revenue Costs

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The report does not have direct implications for finances or resources, actions within the proposed action plan may have implications. In such cases and where they cannot be contained within existing budgets there will be a separate report to Cabinet or Cabinet Member seeking approval in accordance with the Council's constitution.

(B) Capital Costs

The report does not have direct implications for finances or resources, actions within the proposed action plan may have implications. In such cases and where they cannot be contained within existing budgets there will be a separate report to Cabinet or Cabinet Member seeking approval.

Implications of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets): The report does not have direct implications for finances or resources.
Legal Implications: There are no implications arising directly out of this report.
Equality Implications: There are no equality implications.

Contribution to the Council's Core Purpose:

Protect the most vulnerable:
Facilitate confident and resilient communities:
Commission, broker and provide core services:
Place – leadership and influencer:
Drivers of change and reform: The Council is a self-aware learning organisation and commissioned a peer review from the LGA to assure it plans and learn from best practice. The report findings and recommendations will potentially influence future plans. This report ensures transparency of progress against the recommendations of the LGA Peer Team.
Facilitate sustainable economic prosperity:
Greater income for social investment:

Cleaner Greener

What consultations have taken place on the proposals and when?

(A) Internal Consultations

Each of the owners of the agreed actions has been consulted in the development of this report.

The Head of Corporate Resources (FD 5938/20) and the Chief Legal and Democratic Officer (LD4122/20) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

NA

Implementation Date for the Decision

Following the expiry of the “call-in” period for the Minutes of the Cabinet Meeting

Contact Officer:	Jan McMahon
Telephone Number:	Tel: 0151 934 4431
Email Address:	jan.mcmahon@sefton.gov.uk

Appendices:

Appendix A – LGA Action Plan

Background Papers:

There are no background papers available for inspection.

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1. Background

1.1 The Council commissioned the Local Government Association (LGA) to conduct a peer review as an independent check on how the Council is performing in terms of planning for and delivering against our ambitious plans for the future.

1.2 The peer review took place in September 2018 and the peer review team was made up of experienced elected member and officer peers. The peer team considered the following five core themes:

- Understanding local context and priority setting
- Leadership of place
- Financial planning and viability
- Organisational leadership and governance and
- Capacity to deliver.

1.3 In addition to the five core themes, the peer review focused on the progress that the Council has made in implementing its 'vision for change' and the Councils approach to commercialisation.

1.4 The peer review team summarised the Council's strengths as;

- Knowledge of Sefton 'the place' is strong;
- Strong political and managerial leadership;
- Vision is in place, priorities have been set and transformation plan in place, which is significant;
- Local Plan is in place which has required difficult decisions;
- MTFP is linked to strategy and priorities;
- The Council has a committed and passionate workforce;
- Strong partner relationships exist across the Borough;
- The council exhibits self-awareness and willingness to reflect;
- The Council has successfully managed a 51% reduction in grant funding and put in place a 3-year budget; and
- The Localities model has proven to be effective and the service is moving in the right direction

1.5 The following are the peer team's key recommendations to the Council:

A. Prioritise the refresh of the core purpose. This will help ensure the Council's contribution to the delivery of Sefton 2030 by targeting capacity at a carefully sequenced set of key priorities.

B. Strengthen corporate performance management. The Cabinet should receive a comprehensive, corporate performance management report on a quarterly basis. This report should be accessible and allow the Cabinet to understand the progress being made by the Council against the key priorities. A suitable report should also be made available to scrutiny.

C. Refresh and make clear form, function, accountability and pace of delivery for the localities model. The team acknowledged the ambition being

shown by moving to this new delivery model and endorsed this as the right direction of travel for Sefton. At this stage it is important the council is clear internally – and with its partners on what this will mean locally.

D. Be clear on the Council's parameters around commercialisation. This requires both officers and members to have a consistent understanding of what commercialisation means for the Council as well as the options that can be considered and those which will not. This will allow the Council to focus its efforts on the right commercial opportunities for Sefton.

E. Accelerate work on a local economic growth strategy alongside efforts in the Liverpool City Region. This will help Sefton benefit more from the opportunities presented by the Liverpool City Region and ensure that more schemes are in place ready for future funding opportunities.

F. Develop the role of all members in a changing context for local government and a changing model of delivery locally. This should reflect the role of all members in their communities and the capacity they can attract to support the efforts of the Council. This would mean the council more consistently co-producing solutions with communities and partners.

- 1.6 Cabinet considered the feedback report in December 2018, the recommendations were accepted, and Cabinet requested officers to develop an action plan for their consideration. The Action Plan (Appendix A) was approved in January 2019 and Cabinet requested a progress report be shared with them.

2. Progress against Action Plan

2.1 Prioritise the refresh of the Core Purpose

- 2.1.1 The Core Purpose was created as part of the Imagine Sefton 2030 consultation process and summarises how the Council intends to achieve the aims and objectives of the Sefton 2030 Vision which is based on the feedback from everyone that took part in the consultation.
- 2.1.2 A thorough review has identified that the existing Core Purpose still holds true and continues to reflect the Council's role in delivering the partnership Vision 2030.
- 2.1.3 The Core Purpose underpinned by the Council's Framework for Change Programme targets capacity at a carefully sequenced set of key priorities. Over the last three years this programme has not only helped the Council support the delivery of the Borough's 2030 vision and its own objectives as set out in its Core Purpose, but it has also successfully enabled the Council to set and deliver balanced budgets in each of the three years. The impact of the changes made continues to be assessed and will inform the future programme.
- 2.1.4 The Framework for Change programme will evolve further and continues to articulate a clear planning approach that defines the how, the what, the when - delivered within a financially sustainable envelope agreed with Elected Members. The proposed activity will be considered by Budget Council each year.

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2.1.5 The LGA Action Plan recognised the need to celebrate success both locally and amongst peers. The Chief Executive encourages the workforce to share good news and recognise achievements on an everyday basis as well as through events such as the annual STAR (Special Thanks and Recognition) staff celebration event and Apprenticeship Celebration Event. Notably over the last twelve months the Council has been shortlisted for and received a number of awards that recognise the Council's achievements and to share its success with peers.

2.2 **Strengthen corporate performance management**

2.2.1 The Council recognises the importance of performance management and reports regularly to Cabinet Members and Overview and Scrutiny on service-related performance and key corporate activity for example financial performance is reported to Cabinet on a regular basis. The absence of a Corporate Performance Management Framework has remained a challenge due to the pace of change within local government and the extensive changes that have needed to take place to deliver savings over the last 10 years, capacity and the absence of a whole Council data repository.

2.2.2 Following the LGA Peer Review a Corporate Performance Framework is in development. The intention is that the framework will align to the Council's Core Purpose.

2.2.3 Officers are also currently in the process of developing a data warehouse which will over time be populated with Council data and will streamline the data gathering activity required to produce such a report. This was identified in the target operating model for ICT that would be implemented over 2-3 years post the end of the previous ICT contract (that ended in October 2018).

2.2.4 Given the challenge that a significant amount of performance data is only verified on an annual basis and some key performance data is already report to other meetings Cabinet is asked to consider an annual reporting mechanism in line with the reporting of the financial outturn in June, commencing in June 2020. Overview and Scrutiny Committees will continue to receive requested performance related reports relevant to their Committees.

2.2.5 Alongside this the leadership team will continue to ensure that the organisation's culture places an emphasis on management of performance not just measurement.

2.3 **Refresh and make clear form, function, accountability and pace of delivery for the localities model**

2.3.1 Since joining the Council the Head of Communities has continued to drive forward the implementation of the Localities model and the understanding of the model continues to embed across the Council and partners. The Executive Director (People) has continued to champion the model with partners and the community providing whole system leadership and this was recently recognised by the Department of Works and Pensions winning the Aspiring Instructors programme.

2.3.2 The model continues to evolve, and the introduction of Early Intervention Huddles has started to provide a greater opportunity for joined up partnership working

across Sefton. Service Managers in the model now offer regular drop in surgeries to all elected members to improve understanding on how to access the model and share current and planned activity. The Council's website reflects the current offer and activity timetables for the Family Wellbeing Centres are also accessible on line.

2.3.3 The Head of Communities is working with others to develop a performance dashboard that will demonstrate the impact of the new model.

2.3.4 Underpinning all of this the Cabinet and partner agencies have now agreed a strategic approach for early help and following consultation this has recently been publicised.

2.4 **Be clear on the Council's parameters around commercialisation**

2.4.1 The Council's commitment to developing a commercial nature has continued, looking at what it can do either by itself or with others to generate income and profit that can be reinvested into delivering social purpose. The Council has focused its limited capacity in this area on a small number of priorities such as Sandway Homes and the Crosby Lakeside Redevelopment Project.

2.4.2 The Council continues to embed a commercial and risk awareness culture, where appropriate. The Head of Commercial Development and the Commercial Development Manager work with teams in need commercial support, this support aims to enable the team developing a commercial opportunity to become effective at balancing of risk and financial and social return.

2.5 **Accelerate work on a local economic growth strategy alongside efforts in the Liverpool City Region.**

2.5.1 The Executive Director (Place) has continued to champion the Council's Investment and Growth Programmes and developed a prioritised pipeline of projects, with clear processes that deliver against the Council's economic and social objectives. The Executive Leadership Team actively champion Sefton within the Liverpool City Region.

The Growth and Strategic Investment Programme develops and delivers projects that relate to town centre regeneration, transport initiatives, housing, large employment sites, visitor infrastructure and innovation assets. These projects will directly support the creation of new jobs and businesses, the growth of new and existing businesses, and enhance access and connectivity to places of employment, housing, leisure, recreation and cultural activity. In addition, brown field sites might be redeveloped bringing redundant and difficult to develop land back into economic use, local people being upskilled and visitors enjoying a great recreational and cultural offer. Some of these projects are commercial in their nature of operation, and therefore will also deliver new revenue streams to the Council as well as growth in Council tax and Business rates.

Cabinet approve schemes for consideration by Council within the scope of the Council's Capital Strategy.

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2.5.2 Some projects have attracted significant investment from the Combined Authority. In January 2020 Cabinet approved the following supplementary capital estimates in relation to the Investment Programme:

- (a) Strategic Acquisitions – Land at Bootle, funded by an external contribution of £0.998m from the Liverpool City Region Combined Authority;
- (b) Town Centre Commission work funded by an external contribution of £0.750m from the Combined Authority;

2.5.3 In January 2020, Cabinet also recommended Council approve the redevelopment of the Cambridge Road Centre which is to be funded by an external contribution of £1.145m from the Combined Authority and Crosby Lakeside Redevelopment Project which again is to be funded by an external contribution of £3.100m from the Combined Authority.

2.5.4 The Investment Programme is an important mechanism within the Council's major change programme – the Framework for Change – through which the aims and objectives contained within the Vision for 2030 and Core Purpose, will be delivered.

2.6 **Develop the role of all members in a changing context for local government and a changing model of delivery locally.**

2.6.1 Following the LGA Peer Review the Council commenced work to develop an elected member development plan under 3 key activities: -

- The Induction Programme for Newly Elected Members
- Ongoing Member Development (some of which is mandatory) provided by the Council; and
- Dedicated external training for all members on specific subjects e.g. provided by the Local Government Association on the changing role of councillors

2.6.2 In October 2019 the LGA delivered two sessions for members to look at the role of the 'modern councillor' and how this role is changing given the demands on councils and councillors. The sessions were put in place to look at what this means in Sefton and the role that members play in helping residents and community groups to find and develop their own solutions. More specifically, the sessions looked at how in their roles elected members can support effective prevention and early intervention with a view to reducing the need for Council services.

2.6.3 The session content included:-

- Time to share good practice locally and to discuss examples from elsewhere;
- Time to reflect on the challenges that members face in their community roles and how they could apply the principles of the 'modern councillor' way of working to help deal with some of these;

- An opportunity to share examples of when members have been able to support prevention and early intervention – as well as opportunities for doing more of this in the ward; and
- Space for members to share experiences when engaging with local communities and the approaches that have worked for them.

2.6.4 In November 2019 Overview and Scrutiny Management Board considered a briefing note of the Democratic Services Manager on proposals for the induction of newly elected Members and continuous Member development. The briefing note set out proposals to develop an induction programme, conduct a review of the Councillor Induction and Member Development Programme and outlined the LGA Member development sessions, together with the next steps planned.

2.6.5 The Cabinet Member for Regulation, Compliance and Corporate Services has been and will continue to be consulted throughout the development stages of all the project. Members of the Management Board noted the work on the Member Development Programme. Officers will continue to develop the training and development offer which will include Members being able to access e-learning via the Council's Corporate Learning Centre.

3. **Conclusion**

3.1 Cabinet is asked to note the good progress made on the LGA Action Plan and given that much of the scope of the activity falls within the Council's Framework for Change agree that future monitoring falls within that programme of work.

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Appendix A

Recommendation	Context	What will good look like?	Proposed Action(s)	Owner(s)
<p><i>Prioritise the refresh of the core purpose</i></p>	<p>The Core Purpose was refreshed in November 2016 and approved by Council – at that time we said “<i>We will need to continually review how this Core Purpose is effectively communicated to staff and communities.</i>”</p> <p>The Strategic Leadership Board (SLB) is currently reviewing the Council’s Core Purpose with a view to creating a clearer narrative around how the Council will continue to contribute to Vision 2030. The SLB review will result in a set of recommended actions which will be considered by Cabinet and Council.</p> <p>The outcome of this work will inform the production of the next three-year Medium Term Financial Plan and associated strategies and policies</p>	<p>The Council’s contribution to Vision 2030 is clearly defined and articulated in terms of action impact and value added</p> <p>Narrative and principles agreed with Elected Members</p> <p>Our Core Purpose is clearly communicated, understood and owned across the Council and understood by the communities, partners and other key stakeholders</p> <p>A clear planning approach that defines the how, the what, the when - delivered within a financially sustainable envelope</p> <p>The Core Purpose informs future Council plans and priorities.</p> <p>Success is celebrated</p>	<p>Draft narrative and principles to be approved Q1 2019/20</p> <p>Share key messages with workforce, elected members, communities and partners from Q2 2019/20</p> <p>Continually review how the Core Purpose is effectively communicated to staff and communities – Ongoing</p> <p>Assess the impact on the delivery of improved outcomes - Ongoing</p>	<p>Cabinet Executive Leadership Team</p>

Recommendation	Context	What will good look like?	Proposed Action(s)	Owner(s)
<p><i>Strengthen corporate performance management.</i></p>	<p>Sefton 2030 Vision Outcomes Framework already in place The review of the Core Purpose will facilitate the development of a new approach to corporate performance management Service Performance management is well embedded in most service areas Some inconsistency of approach – One Council solution needed Cabinet, Cabinet Members, Overview & Scrutiny Committees, Audit and Governance Committee already receive several service, workforce, risk and budget related performance data and these will continue. No overarching corporate framework for the Council Partners open to greater sharing of performance management approaches and reporting LGA offer of support to develop what is right for Sefton</p>	<p>Clear understanding of what performance management activity works well and where we need to change or improve Overarching outcome focused framework in place for the Council One Council approach underpinned by efficient and effective systems with a schedule for reporting and clear escalation process Workforce and elected members understand how performance is measured, the impact that we have on our communities and feel empowered Our communities are aware of performance and future plans Partnership performance management reporting shared and joint impact understood Emphasis on management of performance not just measurement Performance Framework informs future prioritisation and resource allocation</p>	<p>Access LGA support Q1 2019/20 Develop the Measures and indicators associated with the Corporate Performance Framework Q2 2019/20 Share and consult with Cabinet and OSC Management Board Q2 2019/20 Agree Corporate Performance report template with Cabinet and commence reporting Q3 2019/20 Agree and resource a data and reporting improvement programme Q4 2019/20</p>	<p>Cabinet Strategic Leadership Board Scrutiny Committees</p>

Recommendation	Context	What will good look like?	Proposed Action(s)	Owner(s)
<p><i>Refresh and make clear form, function, accountability and pace of delivery for the localities model.</i></p>	<p>New operating model, new roles, evolving workforce development plan, prioritised plan in place for next steps Partners are bought in to the model and regular meetings in place to ensure that joint working continues Internal understanding growing but clearer understanding of the how is needed New pathways and policies need to be developed whilst maintaining current service and systems Need to consider the wider role of other teams LGA endorsed as the right direction for Sefton</p>	<p>Shared narrative is understood and owned across the Council and partners Workforce is skilled and equipped for new ways of working Increased level of partnership working – New Realities approach truly embedded Communities understand how to access the new model Increased levels of community, family and personal resilience Reduced demand Next phase of Locality working defined and planned</p>	<p>New Head of Communities will drive forward this agenda Executive Director will continue to champion the model with partners and the community Performance of model will be developed and monitored This activity will continue to be monitored by the Framework for Change Programme Board and by exception Cabinet Prioritised plan to be considered by Cabinet Q2 2019/20</p>	<p>Cabinet Member Executive Director, Andrea Watts and Head of Communities</p>

Recommendation	Context	What will good look like?	Proposed Action(s)	Owner(s)
<p><i>Be clear on the Council's parameters around commercialisation.</i></p>	<p>Council is not new to this type of activity Workforce is developing their own definitions leading to mixed messages Head of Commercial Development is working with teams across the Council to develop ideas and explore opportunities Enterprise strategy in development LGA offer of 3 levels of support – including masterclasses for elected members</p>	<p>Generation of additional funds to reinvest in front line Council services. A common and clear understanding of the priority approaches and initiatives to be developed and delivered A clear set of principles to inform and guide which commercial opportunities are brought forward and how Increased skills and confidence amongst appropriate managers and staff with appropriate support An effective balancing of risk and financial and social return The enhancement of the reputation of the Council</p>	<p>Access LGA support Q1 2019/20 Cabinet to agree Enterprise Strategy Q1 2019/20 Include commercial approach in workforce and member development plans as appropriate Ongoing Embed commercial and risk awareness culture - Ongoing Approve the Enterprise Strategy Monitor the delivery of the priority actions against the success criteria.</p>	<p>Head of Commercial Development</p>

Recommendation	Context	What will good look like?	Proposed Action(s)	Owner(s)
<p><i>Accelerate work on a local economic growth strategy alongside efforts in the Liverpool City Region (LCR)</i></p>	<p>Growth is a key Pillar in the Framework for Change Growth Programme is established and is being prioritised Partners across the Liverpool City Region acknowledge our “can do approach” Significant progress, opportunities for a strong pipeline of projects to increase the level of benefit for Sefton Capacity is a challenge Economic Strategy in development</p>	<p>Clear strategy and delivery plan for inclusive growth Prioritised pipeline of projects, process that delivers against the Council's economic and social objectives Council/Cabinet approve schemes for consideration Attracting significant Strategic Investment Fund support from the Combined Authority Delivery of planned change More and better jobs for local people</p>	<p>Agree a prioritised pipeline of projects Identify those which should be put forward for Combined Authority consideration Q1 2019/20 Assess and implement the capacity required to deliver the programme Continue to champion Sefton within the Liverpool City Region - Ongoing This activity and associated delivery of agreed plans will continue to be monitored by Cabinet in line with agreed Capital Programme – Ongoing Key performance measures to be included in the Performance Framework</p>	<p>Executive Director – Sarah Kemp</p>
<p><i>Develop the role of all members in a changing context for local government and a changing model of delivery locally.</i></p>	<p>Local government is changing Leadership of Place is strong Constituency fora are new Localities model is new</p>	<p>Constituency Fora are well established with increased levels of partner and community participation Clear understanding and ownership of the role of</p>	<p>Continue to refine, develop and promote the Constituency Fora - Ongoing Produce an elected member development plan for consideration by</p>	<p>Chief Executive & Head of Corporate Resources</p>

Recommendation	Context	What will good look like?	Proposed Action(s)	Owner(s)
	<p>No Member Development Programme in place – SLB using 21st Century Public Servant with workforce LGA and North West Employers offer of support</p>	<p>Sefton elected members in the current and future context. Elected member development needs and skills identified, and an appropriate development programme developed Member Development Programme implemented and embraced by all</p>	<p>the Cabinet Member Regulatory, Compliance and Corporate Services & Overview & Scrutiny - Q2 2019/20 Identify elected member development opportunities – Ongoing Monitoring participation and outcomes including members satisfaction</p>	