

Report to:	Cabinet	Date of meeting:	27 July 2017
Subject:	Determination of the proposal to merge South Sefton College with Hugh Baird College as recommended by the Liverpool City Region Area Review		
Report of:	Head of Schools & Families	Wards Affected:	Ford and neighbouring wards where pupils reside
Is this a Key Decision:	Yes	Included in Forward Plan:	Yes
Exempt / Confidential Report:	No		

Summary

Following a consultation on the proposed merger of South Sefton College and Hugh Baird College Cabinet on 25 May 2017 resolved to publish a Statutory Notice relating to this proposal.

The purpose of this report is to seek a determination on the proposal for the discontinuance of South Sefton College to facilitate the merger with Hugh Baird College as recommended by the Liverpool City Region Area Review. In accordance with the School Organisation (Establishment and Discontinuance of Schools) Regulations 2013 the decision maker for this proposal is the local authority.

The report also seeks approval for the transfer of the land and buildings as part of the merger.

Recommendation(s):

Cabinet are recommended to:

- (1) Consider the information on the proposal to discontinue South Sefton College to enable the merger with Hugh Baird as recommended by the Liverpool City Region Area Review of post 16 education and training institutions contained in the report;
- (2) Approve the proposal for the discontinuance of South Sefton College to enable the merger with Hugh Baird as recommended by the Liverpool City Region Area Review of post 16 education and training institutions contained in the report with effect from 31 July 2017.
- (3) Authorise the Head of Regulation and compliance in conjunction with the Head of Schools and Families to complete the necessary agreements required as part of the merger with Hugh Baird,
- (4) Agree to lease the land to Hugh Baird College at less than best consideration due to the significant contribution the proposal will make to the economic and social wellbeing of the local area as set out in the Liverpool City Region Area

Review of post 16 education and training institutions.

- (5) Note that the Leader of the Council and the Chair of the Overview and Scrutiny Committee (Children's Services and Safeguarding) had given their consent under Rule 46 of the Overview and Scrutiny Procedure Rules for these decisions to be treated as urgent and not subject to "call in" on the basis that they cannot be reasonably deferred because of the start of the Colleges academic year on 1 August.

Reasons for the Recommendation(s):

The Local Authority has the statutory power to discontinue a maintained school following the statutory process detailed in the report.

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

There are no alternative viable options.

What will it cost and how will it be financed?

(A) Revenue Costs

The council holds a reserve that is in place to support the costs associated with the closure or transfer of schools, where the costs of deficits fall due to the local authority. The costs associated with the proposed merger will be met from this source. In the event that this funding is not sufficient the Council will need to identify additional resources from its other reserves and balances. The Funding implications of this were recognised and approved at the meeting on 25 May 2017.

(B) Capital Costs

N/A

Implications of the Proposals:

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

As part of the consultation process meetings have been held with staff in the school and their trade union representatives

Legal Implications:

The consultation on the proposal to discontinue the school and publication of the statutory notice has been carried out in accordance with the requirements of the Education and Inspections Act 2006 and specifically the School Organisation (Establishment and Discontinuance of Schools) Regulation 2013/3109 as amended.

Equality Implications:

There are no equality implications.

Contribution to the Council's Core Purpose:

Protect the most vulnerable:
Facilitate confident and resilient communities: retention of local post 16 provision in a deprived area of the borough
Commission, broker and provide core services:
Place – leadership and influencer:
Drivers of change and reform:
Facilitate sustainable economic prosperity: providing local post 16 educational opportunities in a deprived part of the borough where travel may potentially be a barrier to participation
Greater income for social investment:
Cleaner Greener

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Head of Corporate Resources (FD4756/17) and Head of Regulation and Compliance (LD4040/17) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

Public consultation on the proposal has taken place through the statutory notice and consultation regarding staff transfer as part of the merger has taken place with staff and trade unions,

Implementation Date for the Decision

With immediate effect. The Chair of the Overview and Scrutiny Committee (Children's Services and Safeguarding) has given approval under Rule 46 of the Overview and Scrutiny Procedure Rules for the 'call-in' period to be waived in respect of the executive decision.

Contact Officer:	Mike McSorley
Telephone Number:	0151 934 3428

Email Address:	mike.mcsorley@sefton.gov.uk
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Appendices:

The following appendices are attached to this report:

- Copy of the published statutory notice and proposal

Background Papers:

There are no background papers available for inspection.

1. Background

1.1 Members will recall that outcome of the consultation on the proposed merger of South Sefton College and Hugh Baird College was considered by Cabinet at its meeting on 25th May 2017. At this meeting Cabinet resolved to:

1. Note the responses to the statutory consultation process;
2. Agree to the merger between Hugh Baird College and South Sefton College as the option which is in the best interests of students and staff.
3. Note the estimated financial implications associated with the two options presented within the report.
4. Approve the funding of the potential merger as set out in the report, including the use of the Closed Schools Earmarked Reserve (£1.481m) and the Transforming Sefton Reserve (£0.645m)
5. Authorise Officers to progress the merger negotiations with Hugh Baird and South Sefton College.
6. Approve the publication of the Statutory Notice on the discontinuance of South Sefton College in order to enable the merger with Hugh Baird College to take place.

1.2 In order for the merger to take place it will be necessary for South Sefton College to be discontinued (following the statutory school closure process which the local authority have to determine) and then for Hugh Baird to expand its post 16 provision by providing an A-Level offer from the site.

2. Statutory Notice and Representations Relating to the Proposal

2.1 A copy of published notice is attached as Appendix A.

2.2 At the end of the representation period no representations had been received in response to the published notice.

3. Legal Agreements

3.1 Following discontinuance the merger with Hugh Baird will be supported by legal agreements to transfer the land and assets,

3.2 Land Issues

3.2.1 The South Sefton College building was built using grant funding and is owned by the College. Once the college is discontinued the land and buildings will revert to the Council. They will be leased on a long term lease to Hugh Baird College using the model lease used by the DfE for academies.

3.2.2 An independent land valuation has been undertaken and the land valued at £1.25m. The proposed lease to Hugh Baird will not attract a premium and will be for an annual rent of £1, representing a disposal at an undervalue contrary to section 123 of the Local Government Act 1972. However, the local authority may dispose of assets at less than best consideration where, it considers that such a disposal will help secure the promotion or improvement of either economic; social or environmental wellbeing of its area

3.2.3 It is considered that the proposal promotes the economic and social wellbeing of the local area as outlined in previous reports on the merger proposal and within the LCR Area review which has been published and signed off by Ministers. In addition the proposal continues to provide local post 16 education in an area of deprivation where travel would be a potential barrier to participation.

3.3 Commercial Transfer Agreement

3.3.1 This document is designed to ensure that all information on the staff who are transferring to the academy is recorded and transferred to the Academy Trust, so that the appropriate arrangements for payment of salaries, pension contributions, etc. can be made. It also includes details of any assets or contracts that will transfer to the Academy Trust and of those that will not.

1. TUPE Process

4.1 Staff from the College will transfer to Hugh Baird as part of the merger process. TUPE will apply and consultation has been undertaken as part of the process and this is discussed in regular meetings with the Trade Unions.

2. Timescales

6.1 Hugh Baird have requested that they take over the running of South Sefton College from 1 August, when their academic year commences. This will greatly benefit the merger and allow Hugh Baird to begin but will require the call in period to be waived in order to action the decision immediately.

Appendix A –Statutory Notice and Proposal

Notice

South Sefton College

Notice is given in accordance with section 15(1) of the Education and Inspections Act 2006 that Sefton Council intends to discontinue South Sefton College, Sterrix Lane, Litherland L30 2DB from 31st July 2017.

This is being proposed in order to facilitate a merger between South Sefton College and Hugh Baird College which are part of a wider review of post 16 training and education institutions in the area.

The proposal for Sefton is that the four FE institutions: Hugh Baird College, KGV, Southport College and South Sefton College merge to form a single Sefton College that would be stronger, more sustainable and provide an offer that meets the educational needs of young people in Sefton and the economic needs of the area.

The colleges have proposed merging in two tranches: KGV and Southport College merging and Hugh Baird and South Sefton Colleges merging by September 2017, with the full merger taking place by September 2018.

The only way of merging South Sefton College, which is constituted as a school, and Hugh Baird College is for South Sefton College to be discontinued (following the statutory school closure process which the local authority have to determine) and then for Hugh Baird to expand its post 16 provision by providing an A-Level offer from the site. If the merger does not take place it will be necessary to progress with the discontinuance given the financial position of South Sefton College as it is not viable as a standalone setting.

This Notice is an extract from the complete proposal. Copies of the complete proposal can be obtained from: School Organisation and Capital Programme Team, Sefton Council, Town Hall, Oriol Road, Bootle L20 7AE. Telephone 0151 934 3427 or at www.sefton.gov.uk/

Within four weeks from the date of publication of this proposal, any person may object to or make comments on the proposal by sending them to School Organisation and Capital Programme Team, Sefton Council, Town Hall, Oriol Road, Bootle L20 7AE or by emailing: school.organisation@sefton.gov.uk

Signed: M Carney, Chief Executive and Authorised Officer of Sefton Metropolitan Borough Council

Publication Date:

Complete Proposal

South Sefton College – Proposal to merge with Hugh Baird College

Introduction

Sefton Council is proposing to discontinue South Sefton College on 31st July 2017 in order to facilitate the merger with Hugh Baird College.

Local Authority contact details

The proposal to discontinue South Sefton College is being published by Sefton Council. Contact details: School Organisation & Capital Programme Team, Sefton Council, Town Hall, Oriel Road, Bootle L20 7AE. Email: school.organisation@sefton.gov.uk

School

South Sefton College, Sterrix Lane, Litherland, L30 2DB.

Implementation

It is proposed that the college be discontinued on 31st July 2017.

Reason for closure

This is being proposed in order to facilitate a merger between South Sefton College and Hugh Baird College which are part of a wider review of post 16 training and education institutions in the area.

The proposal for Sefton is that the four FE institutions: Hugh Baird College, KGV, Southport College and South Sefton College merge to form a single Sefton College that would be stronger, more sustainable and provide an offer that meets the educational needs of young people in Sefton and the economic needs of the area.

The colleges have proposed merging in two tranches: KGV and Southport College merging and Hugh Baird and South Sefton Colleges merging by September 2017, with the full merger taking place by September 2018.

Legally the only way of merging South Sefton College, which is constituted as a foundation school, and Hugh Baird College is for South Sefton College to be discontinued (following the statutory school closure process which the local authority have to determine) and then for Hugh Baird to expand its post 16 provision by providing an A-Level offer from the site. If the merger does not take place it will be necessary to progress with the discontinuance given the financial position of South Sefton College as it is not viable as a standalone setting.

Pupil numbers and admissions

South Sefton College provides up to 617 places for sixth form pupils aged 16 to 19.

Pupils on roll as at January 2017 (School Census return)

Y12	Y13	Total
176	182	358

Consultation

The consultation started on 27th February 2017 and ended on 5th April 2017. The following parties were consulted by letter:

Parents and Pupils

Staff of South Sefton College

Governors of South Sefton College

All Sefton schools

Peter Dowd, MP

Ward Councillors for Ford

Trade Unions

Neighbouring local authorities (Liverpool, Lancashire, Knowsley)

Archdiocese

CE Diocese

Consultation meetings for staff, governors, parents and pupils took place on 13th March 2017

During the consultation period two replies were received by the local authority from a trade union and another from a parent of a pupil currently attending the college in Y12.

Eight replies were received by Hugh Baird College: three from staff, two from parents, two from local residents and one was anonymous

Displaced pupils

All current students will be able to complete their course of study. The merger is designed to grow provision across both sites. There has been a decline in the numbers of 16-18 students studying at the two colleges, due to a continuing demographic decline and the increase in numbers of advanced level students leaving the area to study elsewhere. The merged college intends to reverse this trend and grow the numbers of 16-18 students through providing a high quality well-resourced local sixth form offer, enabling students to stay closer to home and achieve their potential and ambition. Following the merger, South Sefton College will continue to operate as a provider of Advanced level programmes, with the opportunity to expand this provision.

Impact on the community

The merger of the colleges should have a positive impact on the community as they will be able to offer an extensive range of professional, vocational and A-level courses across the two campuses which will improve opportunities for students in the area. It will build on the strengths of the two institutions with Hugh Baird College leading in professional, technical and vocational courses and South Sefton College specialising in in A Level subjects. This should lead to increased numbers of 16 to 18 students across both colleges which will enable further investment and development of facilities for students.

Sixth form provision

See above. The merger will ensure that sixth form provision is maintained in the area.