

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:

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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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.

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.