

Report to the Cabinet

Meeting to be held on Thursday, 16 January 2020

Report of the Head of Service - Education, Quality and Performance (Acting)

Part I

Electoral Divisions affected:
Brierfield & Nelson West;
Burnley Central East; Burnley
Central West; Burnley North
East; Burnley Rural; Burnley
South West; Mid Rossendale;
Nelson East; Pendle Central;
Pendle Rural; Rossendale East;
Rossendale West;

Future Viability of Thomas Whitham Sixth Form

(Appendices 'A' to 'C' refer)

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Executive Summary

In July 2019, the governing body of Thomas Whitham Sixth Form asked Lancashire County Council to consult on the future viability of the school. Therefore, between 16 September and 1 November 2019, the local authority consulted on the future viability of Thomas Whitham Sixth Form, Burnley. Under the statutory process, the authority is now required to consider the responses to the stage 1 consultation and decide whether to publish a Statutory Notice on a proposal to close the school from 31 August 2020.

The purpose of this report is to provide the information necessary for that decision to be considered.

Recommendation

Cabinet is asked to:

- (i) Note the consultation arrangements that were undertaken and the responses that were received in respect of the authority's proposal.
- (ii) Approve that the authority publishes a Statutory Notice of its proposal to close Thomas Whitham Sixth Form with implementation commencing from 31 August 2020.

Background and Advice

On 5 September 2019, Cabinet approved that a stage 1 consultation be undertaken in relation to the future viability of Thomas Whitham Sixth Form, as requested by the school's governing body. The reasons for the consultation taking place were concerns about the school's financial deficit and the number of students accessing the provision. It must be noted that there were no concerns in relation to the quality of education being provided by the school, and the school has always been judged as Good by OfSTED.

Thomas Whitham Sixth Form is a stand-alone 16-18 school which opened in 2006 as a result of the Building Schools for the Future programme taking place in Burnley and is housed within the Burnley Campus, a Private Finance Initiative building, on Barden Lane in Burnley. The school's facilities and staffing were originally based on a cohort of 600 students. Due to the falling student numbers, the school has recently reduced the number of places available to 450 students and this has reduced the amount of space it occupies on the Burnley Campus. The school's funding allocation from the Education and Skills Funding Agency for the 2019/20 academic year is based on 139 students.

The significant majority of students attending Thomas Whitham Sixth Form are from the Burnley and Pendle districts. Within these districts, there are three mainstream 16-18 Education and Skills Funding Agency funded providers, including the school. Burnley College is judged as 'Outstanding' by OfSTED. Due to its merger with Accrington and Rossendale College in November 2018, Nelson and Colne College does not currently have an official OfSTED judgement. However, prior to the merger, Nelson and Colne College was judged as 'Outstanding' and Accrington and Rossendale College was judged as 'Good'.

Thomas Whitham Sixth Form's financial position has been in steady decline for a number of years but there has been a rapid increase in the cumulative deficit since 2017/18. As at 31 March 2019, the school held a cumulative deficit balance of £3.2m, which is forecast to increase by £1.0m in the current 2019-20 financial year, taking the overall cumulative deficit to £4.2m. The current three year forecast for the school indicates that this cumulative deficit is likely to exceed £6.3m by March 2022.

Despite the best efforts of the school and with the support of the local authority, Thomas Whitham Sixth Form has not been able to increase its student numbers sufficiently to generate financial sustainability as a result. The school has had support from the local authority to implement a number of actions, such as commissioning an independent external review of future options in 2013 and staffing support for the leadership team. The independent external review of future options concluded that there did not seem to be a way in which Thomas Whitham Sixth Form could secure a long term future as an independent institution. The governors accepted this conclusion.

Following a review of their financial position and projected student numbers for 2019/20, as well as the recent resignation of the Principal, the governing body wrote to the local authority in July 2019, asking that the authority consults on the future viability of the school.

Closing a Maintained Mainstream School: Guidance and Process

There is a defined statutory process in the Department for Education's statutory guidance, 'Opening and closing maintained schools: Statutory guidance for proposers and decision-makers' (November 2019), which must be followed before making a decision on the closure of a maintained school. The five statutory stages for a proposal to close Thomas Whitham Sixth Form and the suggested timescales are set out below:

Action	Start
Cabinet approval to consult	5 September 2019
Stage 1: Consultation	16 September to 1 November 2019
Stage 1: Report back on consultation and Cabinet decision on whether to publish Statutory Notice CURRENT STAGE	16 January 2020
Stage 2: Publish Statutory Notice	March 2020
Stage 3: Representation Period	March 2020
Stage 4: Decision	May 2020
Stage 5: Implementation	31 August 2020

In line with the Department for Education's statutory guidance, a consultation document was produced and this is set out in Appendix 'A'. The guidance also states that proposers, in this case the local authority, must consult groups and individuals they feel to be appropriate. This document was available on the Lancashire County Council website and was widely circulated to interested parties, such as students, staff and governors at the school, Burnley Borough Council, Pendle Borough Council, parish councils, neighbouring local authorities, other local schools and stakeholders.

As part of the Stage 1 consultation, a public consultation event was held at the school. At the event, 43 appointments took place with 51 people in attendance. This report is requesting the publication of a Statutory Notice (Stage 2), which will lead to a further statutory consultation (Stage 3), in order to determine the outcome of the proposal.

Consultation

For the consultation, paper questionnaires were made available at the school and online questionnaires could be accessed from www.lancashire.gov.uk. Paper questionnaires were also given to students at the school. All of the responses received have been considered and the local authority's response to the key issues is set out at Appendix 'B'.

One of the questions in the consultation document asked respondents to say whether they agreed or disagreed with the option of closing the school. The 212 responses received were as follows:

	Strongly agree	Tend to agree	Neither agree or disagree	Tend to disagree	Strongly disagree	Unsure /don't know
Respondents	5%	3%	1%	4%	86%	1%

Consultation Event

During the consultation period, a consultation event was held at the school between 3pm and 9pm on 23 September 2019 for students, parents, staff, governors and any other interested parties to ask questions and make comments on the proposal.

The issues raised at the event were similar to those raised within the written responses to the proposal and the feedback received at this event is set out at Appendix 'C'.

Consultation Summary

From reviewing all of the consultation responses, the key issues which have been raised relate to the following: the offer at the school in terms of provision, support and the overall environment; removing choice from young people; the impact on staff; the impact on current students; the impact on the local community; and finance and building/campus issues. As can be seen from Appendix 'C', these are in line with the issues raised at the consultation event.

Implications:

Risk Management

The authority has a statutory duty to secure sufficient and suitable education and training provision to meet the reasonable needs of all young people in their area. The authority has reviewed the alternative post 16 education and training options for young people in the Burnley and Pendle districts as well as looking at the 16-18 population projections across these areas. As a result of this, we believe that there will be sufficient and suitable places for 16-18 year olds within the local area.

There are implications for staff employed in the school, who will be at risk of redundancy. However, the authority will use its experience to try and avoid compulsory redundancies wherever possible by identifying staff redeployment and retraining opportunities.

Financial

As set out above, as at 31 March 2019, the school held a cumulative deficit balance of £3.2m, which is forecast to increase by £1.0m in the current 2019-20 financial year, taking the overall cumulative deficit to £4.2m. The current three year forecast for the school indicates that this cumulative deficit is likely to exceed £6.3m by March 2022. The financial position of the school has been in steady decline over a number of years, with a rapid increase in the cumulative deficit since 2017/18.

If it is decided that a school is to be closed by an authority, any balance (whether surplus or deficit) reverts to the authority. The authority cannot transfer a closing balance to an individual school, even when that school is a successor to the closing school, except that a surplus or deficit transfers to an academy where a school converts to academy status under section 4(1)(a) of the Academies Act 2010.

The school premises, along with three other schools on the same site, were built as part of the Building Schools for the Future project that was funded via the Private Finance Initiative. This means that there are risks associated with the financing of the current annual PFI contract and any PFI liability if the premises do not remain in use.

Equality and Diversity

A full Equality Analysis will be completed and reported at the determination stage of the proposal.

List of Background Papers

Paper	Date	Contact/Tel
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None

Reason for inclusion in Part II, if appropriate

N/A