North Tyneside Council Report to Director Children's Services

Date: 6 November 2024

Title: Strategic Education Review Update -Outcome of the pre-publication consultation in relation to the future of Monkseaton High School

Portfolio(s): Education, Inclusion,

Employment and Skills

Finance and Resources

Cabinet **Councillor Steven Phillips**

Member(s): **Councillor Anthony**

McMullen

Children's Services Report from Service

Area: Resources

Responsible Officer: Ian Wilkinson, Strategic Lead

Education Review

Tel: 0345 200 0101

Wards affected: ΑII

PART 1

1.1 **Executive Summary**

The purpose of this report is to inform the Director of Children's Services, about the responses to the pre-publication consultation on the future of Monkseaton High School to enable the Director, in consultation with the Director of Resources and the Cabinet Member for Education, Inclusion, Employment and Skills, to determine if there should be statutory consultation with schools, parents and other stakeholders on proposals to close the school.

On 9 September 2024, Cabinet authorised the commencement of an initial pre-publication consultation in relation to the future of Monkseaton High School. Cabinet also authorised the Director of Children's Services in consultation with the Director of Resources and the Cabinet Member for Education, Inclusion, Employment and Skills to:

- (i) consider the responses to the pre-publication consultation; and
- (ii) determine if there should be statutory consultation with schools, parents and other stakeholders in line with the Department for Education's statutory guidance on school closure proposals.

The pre-publication consultation took place for six weeks between 17 September and 30 October 2024 and was carried out in accordance with Department for Education (DfE) statutory guidance.

The community has displayed real passion for their school. The Authority is very thankful for the time and effort taken so far by community members who have expressed their views as part of this process. The Authority is confident that a rigorous and robust consultation process was undertaken. The views expressed have been listened to and carefully considered. The main themes from the consultation can be seen along with all responses to the consultation in the Appendices.

During the period of pre-publication consultation, no viable alternatives or options were presented, though all were carefully considered. The proposals that came forward have either been previously explored and ruled out or did not provide sufficient evidence which would enable the Authority to make a new proposal that would satisfactorily resolve the pupil number trends and financial implications of keeping the school open.

It is therefore recommended that the Director of Children's Services agrees to publish a statutory notice proposing the closure of Monkseaton High School; this will commence the statutory Representation Period. The statutory notice will be published in accordance with section 15(1) of the Education and Inspections Act 2006 and regulation 12 of the School Organisation (Establishment and Discontinuance of Schools) Regulations 2013.

The closure of Monkseaton High School is considered necessary on the basis that it is no longer viable. In addition, there are surplus places elsewhere in the local area, which can accommodate displaced pupils, and there is no predicted increase in demand for the school in the medium to long term.

1.2 Recommendation(s)

It is recommended that the Director of Children's Services in consultation with the Director of Resources and the Cabinet Member for Education, Inclusion, Employment and Skills:

- 1. consider the responses to the pre-publication consultation attached to this report at Appendices 1 to 3;
- 2. agree that there should be statutory consultation with schools, parents and other stakeholders, in line with the Department for Education's statutory guidance on school closure proposals;
- finalise and publish on the Authority's website a statutory proposal document, together with publishing a statutory notice of the proposal in a local newspaper
- agree that the publication of a statutory notice will take place on 15
 November 2024 and that this will commence the statutory Representation
 Period for a period of four weeks between 15 November and 13 December
 2024;
- 5. note the requirement to present a further report to Cabinet on the outcome of the statutory consultation, so that Cabinet can consider the responses and determine next steps.

1.3 Forward Plan

This report first appeared on the Forward Plan that was published on 18 October 2024. While an indicative timeline for future decision making was provided in the Cabinet report dated 9 September 2024 it was not possible to confirm the date of the delegated decision until after the pre-publication consultation had commenced and further work had been undertaken.

1.4 Council Plan and Policy Framework

This report relates to the following themes in the Authority's updated Our North Tyneside Plan 2021-2025:

- a family friendly North Tyneside
- a thriving North Tyneside, and
- a caring North Tyneside.

1.5 Information

1.5.1 Background

Declining pupil numbers at Monkseaton High School and lower birth rates mean that the school is operating at just over 50% of its capacity. The school has capacity for 964 pupils. In 2009 the number of pupils on roll was 783 and in 2024 it was 527. Whilst pupil numbers have recovered from a low of 431 in 2016, it's clear the school still has significant surplus spaces. Housebuilding in the area is not likely to improve this at the level required for the school to become sustainable.

While parental choice plays a significant role in this decline, with only one in five current pupils coming from the local community, there have also been changes to the local demographics and an overall decrease in pupils in the catchment area.

The above factors have resulted in Monkseaton High School having a significant financial deficit, currently over £5m, which is projected to increase to over £7 million by 2027. This is not sustainable and is impacting the stability of the school and, despite the best efforts of school leadership and staff, it poses a risk to the quality of education that can be delivered to pupils. Financial rules state that schools cannot operate with sustained deficits, and forecasts for the school show this deficit is set to increase.

The financial position is made more challenging by higher than average building running costs, maintenance and changes to Government funding. The Authority believes it has explored every viable option available to avoid the closure of the school. This has been reinforced through discussions with the DfE, which have not identified any further options.

The Authority is now clear that in the absence of significant national changes to school funding, which is beyond its control, it is not possible to make the school viable. The operational and financial challenges faced by the school mean that if no action is taken there is a significant risk it will not be able to deliver a broad and balanced curriculum.

1.5.2 Financial context

Monkseaton High School has a large financial deficit which is projected to increase to over £7 million by 2027. This is impacting the stability of the school and, despite the best efforts of school leadership and staff, it poses a risk to the quality of education that can be delivered to pupils. The responsibility for setting a balanced budget lies with the school leaders and governors, but the Authority recognises it has an important role to play in balancing educational and financial factors across all of its maintained schools.

It is important to note how school funding works and the respective role of the school and the Authority. Funding for schools is set nationally by the Department for Education and allocated to councils for both maintained schools and academies. Since 2017, there has been a move towards a national funding formula approach to determine how funding is allocated to schools.

In North Tyneside, the national funding formula approach has been applied since 2021/22, which is agreed each year by the North Tyneside Schools Forum (being a representative group of school leaders and governors) and then ratified by Cabinet. This means that the Authority neither funds nor determines how much money is allocated to individual schools.

The national funding formula has several components to determine how much funding is allocated to individual schools, the main one being how many pupils are on a school roll (i.e. the number of pupils attending the specific school).

Once the allocations are made to schools, it is for the individual school leaders and the governing body to set its budget for the forthcoming financial year. The Authority cannot specify how a school should spend its money. The only time it is involved is when a school cannot set a balanced budget – in these instances, approval for the deficit must be sought from the Authority, following robust challenge, and agreed actions from the school.

The school has had a cumulative deficit since 2015/16, which has increased year on year due to several factors:

- reduction in pupil numbers
- increase in pupil admission numbers over time at a neighbouring High School

- decrease in Post 16 funding nationally and a significant reduction in numbers enrolling into the Post 16 provision driven by a reduction in the size of the Year 11 cohort
- low and variable pupil number intake at Year 9 and Year 12 year on year
- historical staffing structures, on-going rises in employee costs and annual teacher pay increases which have not been fully funded from Government
- higher than average building and maintenance costs associated with the nature of the building, and
- impact of the national funding formula.

As of 31 March 2024, Monkseaton High School's financial outturn showed a cumulative deficit of £5.963m, however, additional funding of £0.678m was obtained from Schools in Financial Difficulty funding from the DfE and reduced this deficit to £5.285m.

While work has taken place to reduce the overall deficit position, the three-year budget plan submitted by the school in May 2024, showed that the deficit position is projected to be around £7.2million by 2027.

This is not a position that the Authority can support, as schools in deficit must be able to show a balanced financial position within three years. In recent years, the Authority has allowed this to continue while every potential viable option was thoroughly explored to stabilise the school and its financial position, but with no viable options it is unable to continue to support this.

1.5.3 Summary of activity undertaken by the Authority in advance of the 9 September 2024 Cabinet decision

The Authority has worked closely with schools in the North East Planning Area (consisting of 14 schools in the Monkseaton and Whitley Bay area) over a number of years and specifically with the headteachers and the governing body of Monkseaton High School, on a range of options with the aim of securing the future of the school.

Following the Ambition for Education Cabinet Report of September 2023, officers continued working with all of the schools in the Planning Area over the course of the 2023 Autumn term to discuss how the schools could work with each other and with the Authority and to explain what the expectation of a firm commitment to working together would look like.

The Authority wrote to all schools in the North East Planning Area in October 2023 requesting a firm commitment to work together to maintain the current system of education. Unfortunately, two of the schools were unable to offer the level of commitment that was considered necessary.

The Cabinet Report of September 2023 identified that it would need Whitley Bay High School and Monkseaton High School to work more closely together and to explore opportunities for greater collaboration, that would support both schools, in order to achieve a sustainable and affordable solution for the long-term across the whole of the Planning Area. Several meetings were held between the Authority and the schools, but these did not lead to a solution that would facilitate more students attending Monkseaton High School in order to help them become financially sustainable in the mid to long-term.

In particular, work was undertaken with Whitley Bay High School to consider whether changes to their published admissions numbers would support an improved financial forecast for Monkseaton High School. Whilst there would be no guarantee that pupils would move to Monkseaton High School (due to parental choice) it was clear that a reduction in the published admission number at Whitley Bay High School, could have an impact on the pupil numbers at Monkseaton High School and therefore the school's financial forecast. Unfortunately, there was no scope for the Authority to provide financial assurance to Whitley Bay High School, due to the way schools are funded. This prevented the governing body of Whitley Bay High School being able to agree to the proposal.

The option of creating a Multi-Academy Trust was also discussed with the schools, but the majority of the schools confirmed that this was not something they would be interested in exploring further at that point. This is not something that the Authority can mandate schools to do.

The option of Monkseaton High School changing its structure to become a secondary school and increase its age range to include Years 7 and 8 and potentially remove its post-16 provision was re-assessed in 2023. It was considered that this option clearly had risks to it. Even if it had made Monkseaton High School sustainable as an individual school, pupil and financial forecasting highlighted that it could de-stabilise other schools within North Tyneside. At that time, the cumulative deficit position was projected to grow to in excess of £7.5M by the time Monkseaton High School could convert to a Years 7-11 school with pupils in all year groups.

In early 2024 the Authority explored an option for part of the Planning Area to become two-tier. Further modelling made it clear that this option would carry too much risk. Parental choice and the commitment to the three-tier system was the biggest factor in discounting this option. It would leave the wider North East Planning Area with a split system (three-tier/two-tier) and there would still be too many surplus places in the secondary year groups. This would be further compounded by falling birth rates over the last five years, meaning there would not be sufficient pupils to fill all the places in the future.

The vast majority of the options explored rely on other schools making changes, that can only be made by individual school governing bodies. The Authority cannot mandate schools to make changes. All the options discussed would have an impact on other schools in the North East Planning Area.

The options that have been considered are not deemed viable, either because they are not financially viable, or because agreement could not be reached. Further details are set out in Appendix 5.

1.5.4 Stage 1 Pre-Publication Consultation

Cabinet agreed at its meeting on 9 September 2024 to authorise the commencement of an initial pre-publication consultation with schools, parents and other stakeholders in relation to the future of Monkseaton High School. It is a statutory requirement for the Proposer (in this case the Authority,) to consult any parties it considers appropriate before publishing statutory proposals. The Pre-Publication Consultation ran from 17 September 2024 to 30 October 2024. The Stage 1 Pre-Publication Consultation was carried out in full accordance with DfE statutory guidance.

In considering the concerns raised during the course of the pre-publication consultation period, the Authority was able to publish additional information at various points and to also regularly update the FAQs in response to responses received to the survey. If the decision is made to issue a Statutory Notice and enter into a Representation Period, the statutory proposal will be adjusted to address some of the themes that haven been raised during the pre-publication consultation. Some of the concerns raised about the practical implementation of any decision will also be used to shape the implementation following the formal decision.

Appendix 1 includes the methodology, an analysis and summary of the responses and the outcomes of the consultation

Appendix 2 and Appendix 3 include the full responses to the two free-text preconsultation questions. These responses are as written by respondents to the pre-consultation questions, the only amendments made are to maintain confidentiality and remove any information that could identify any individuals.

During the period of Pre-Publication Consultation, no viable alternatives or options were presented, though all were carefully considered, enabling the Authority to make a new proposal that would satisfactorily resolve the pupil number trends and financial implications of keeping the school open.

1.5.5 Proposed Timescale

Should the Director of Children's Services in consultation with the Director of Resources and the Cabinet Member for Education, Inclusion, Employment and Skills agree to proceed to statutory consultation, a proposed timescale is set out below:

Stage 1	Tuesday 17 September to Wednesday 30 October
Stage 2	Friday 15 November 2024
Publication of Statutory Notice - 1 day	Publication of the statutory notice commences the statutory Representation Period. This will include the information as specified in schedule 2, annex C of the Statutory Guidance "Opening and Closing maintained schools" issued by the DfE.
Stage 3	Within 1 week of date of publication, the Proposer must send a copy of the full proposal to the governing body, Secretary of State, the Church of England and Roman Catholic Dioceses and any other body or person that the Proposer considers appropriate.
Stage 3	Friday 15 November to Friday 13 December 2024

Representation Period - 4 weeks from date of publication of Statutory Notice This period allows for formal consultation to take place with other admission authorities in the area, neighbouring local authorities, appropriate local organisations, groups and individuals on the proposal to close Monkseaton High School. The information to be included in the discontinuance proposal is set out in Schedule 2 of The School Organisation (Establishment and Discontinuance of Schools) Regulations 2013. The content is set out for convenience in Annex C of the Statutory Guidance for "Opening and closing maintained schools" (as referred to above).

During the Representation Period, any person or organisation can submit comments to the local authority on the proposal to be taken into account by the Decision Maker.

Any requests for a copy of the full Proposal must be sent out to the person requesting it within I week of receiving the request.

Stage 4

Decision – local authority should decide within 2 months, otherwise it must be referred to the Schools Adjudicator The decision is proposed to be taken at Cabinet on **Thursday 19**th **December 2024.**

When issuing a decision, the decision maker can:

- reject the proposal;
- approve the proposal without modification;
- approve the proposal with such modifications as they think desirable; or
- approve the proposal, with or without modification, subject to certain conditions being met.

Stage 5 Implementation

If the Authority makes the decision to close the school, it is proposed to phase the implementation of the closure as follows:

It is proposed to close the school on 31 August 2026.

The implementation of the closure will be phased as follows:

September 2025

- No pupils will be admitted to Year 9 or Year 12
- Current Year 9 pupils will be supported to transition to alternative Year 10 provision ahead of September 2025.
- Current Year 10 and 12 pupils will remain at Monkseaton High School and move into Year 11 and Year 13 respectively

Summer 2026:

- Year 11 pupils will complete their GCSE's and leave the school
- Year 13 pupils will complete their A levels and leave the school
- Monkseaton High School would be closed on 31 August 2026.

1.6 Decision options:

The following decision options are available for consideration by the Director of Children's Services in consultation with the Director of Resources and the Cabinet Member for Education, Inclusion, Employment and Skills:

Option 1

Accept the recommendations outlined in section 1.2 of this report.

Option 2

Not accept the recommendations outlined in section 1.2 of the report.

Option 1 is the recommended option.

1.7 Reasons for recommended option:

Option 1 is recommended for the following reasons:

- Under section 15 of the Education and Inspections Act 2006, the Authority believes the closure of Monkseaton High School is considered necessary on the basis that it is no longer viable. In addition, there are surplus places elsewhere in the local area, which can accommodate displaced pupils, and there is no predicted increase in demand for the school in the medium to long term.
- Monkseaton High School has a significant financial deficit, currently over £5m, which is projected to increase to over £7 million by 2027. This is not sustainable and is impacting the stability of the school and, despite the best efforts of school leadership and staff, it poses a risk to the quality of education that can be delivered to pupils. Financial rules state that schools cannot operate with sustained deficits, and forecasts from the school show this deficit is set to increase.
- Declining pupil numbers and lower birth rates mean that the school is operating at just over 50% of its capacity. The school has capacity for 964 pupils. In 2009 the number of pupils on roll was 783 and in 2024 it was 527. Whilst pupil numbers have recovered from a low of 431 in 2016, it's clear the school still has significant surplus spaces. Housebuilding in the area is not likely to improve this at the level required for the school to become sustainable.
- While parental choice plays a significant role in this decline, with only one in five current pupils coming from the local community, there has also been changes to the local demographics and an overall decrease in pupils in the catchment area.
- The financial position is made more challenging by higher than average building running costs, maintenance and changes to government funding.
- The Authority believes it has explored every option available. This has been reinforced through discussions with the Department for Education, which have not identified any further options.
- The Authority is now clear that without long term changes beyond its control, it is not possible to make the school viable. The operational and financial challenges faced by the school mean there is a risk it will not be able to deliver a broad and balanced curriculum.
- During the period of pre-publication consultation, no viable alternatives or options were presented, though all were carefully considered. The proposals

that came forward have either been previously explored and ruled out or did not provide sufficient evidence which would enable the Authority to make a new proposal that would satisfactorily resolve the pupil number trends and financial implications of keeping the school open.

1.8 Appendices:

Appendix 1 Pre-Publication Consultation Analysis and Outcomes
Appendix 2 Pre-Publication Consultation Responses to Question 2
Appendix 3 Pre-Publication Consultation Responses to Question 3
Appendix 4 – The future of Monkseaton High School - Pre-Publication
Consultation document
Appendix 5 – Monkseaton High School Pre-Publication Consultation
Background options appraisal and data
Appendix 6 - Equality Impact Assessment

1.9 Contact officers:

Julie Firth, Director of Children Services, Tel: 0191 6431454 Jon Ritchie, Director of Resources, Tel: 0191 6435701 Ian Wilkinson, Strategic Lead Education Review, Tel 0191 6434610

1.10 Background information

The following background papers/information have been used in the compilation of this report and are available at the office of the author:

- (1) Review of Secondary School Provision Cabinet Report 14 October 2013
- (2) Education Review Cabinet Report 8 September 2014
- (3) <u>Education Review Feedback from Prepublication Cabinet Report 10</u> November 2014
- (4) <u>Education Review Feedback from Publication Consultation 12 January</u> 2015
- (5) <u>Education Review Feedback from Publication Consultation</u> <u>Supplementary Report 12 January 2015</u>

- (6) Education Review Update Report 13 July 2015
- (7) Education Review Cabinet Report 11 July 2016
- (8) Education for North Tyneside Cabinet Report 10 July 2017
- (9) Education for North Tyneside Cabinet Report 30 July 2018
- (10) LGA Education Funding Report, House of Commons, 4 June 2019
- (11) Education for North Tyneside Cabinet Report 29 July 2019
- (12) <u>Ambition for Education Cabinet Report 25 January 2021</u>
- (13) <u>Ambition for Education Strategy 2020 2024</u>
- (14) <u>SEND Inclusion Strategy 2021 2024</u>
- (15) Ambition for Education Cabinet Report 20 September 2021
- (16) North Tyneside Council Local Area SEND Ofsted Inspection
- (17) <u>Special Educational Needs and Disabilities (SEND) and Alternative</u>
 <u>Provision (AP) Improvement Plan</u>
- (18) <u>Ambition for Education Cabinet Report 21 September 2022</u>
- (19) <u>Ambition for Education Cabinet Report 18 September 2023</u>
- (20) <u>Strategic Education Review Update Cabinet Report 9 September 2024</u>
- (21) Ambition for Education Update Cabinet Report 16 September 2024

PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

2.1 Finance and other resources

Schools across the borough continue to face financial challenges and the Authority is working with them to address those challenges.

The budget plans submitted by maintained schools for 2024/25 indicate a deteriorating forecast position, with the cumulative deficit balances forecast to increase to £15.7m. The actual deficit or surplus by the end of the year will be dependent on the outturn of the maintained schools, as well as any schools that convert to academy status during the year.

In terms of academisation, the treatment of a school's balance at the point of conversion will be dependent on a number of factors. In general, surplus balances would transfer with the school. Where the school is in deficit, the treatment will be dependent on the specific circumstances, but in some scenarios could result in the deficit crystallising and become the responsibility of the Authority (on the General Fund rather than DSG). This would have a revenue impact in year rather than being held on the balance sheet, so would need to be factored into the setting of the Authority's annual budget and medium-term financial plan.

In the event of a closure, the default position from the DfE is that the local authority would be responsible for the resulting deficit – to be borne by council tax/general fund resources. Representations have been made on several occasions to the DfE and MHCLG and the Authority has written to both departments asking for their help and views. No answer has been received as yet to the last DfE letter and at present no additional funding has been provided specifically for Monkseaton High, although they did indicate that continued lobbying was a factor in North Tyneside receiving the highest share nationally of the Schools in Financial Difficulty funding of which £0.678m was used to reduce Monkseaton High School's cumulative deficit.

It should also be noted that in the event of a closure announcement, it is highly likely that the size of the deficit will grow, for example due to falling pupil numbers, staff departures (requiring interim/supply teachers) and potentially redundancy costs. This cannot be quantified at present.

Discussions will continue with senior officials about further support and/or accounting flexibilities that may be made available to the Authority.

2.2 Legal

The Authority has a legal duty (by virtue of s.13A Education Act 1996) to ensure that its education functions are exercised with a view to:

- · promoting high standards,
- · ensuring fair access to opportunity, and
- promoting the fulfilment of the learning potential of every child.

In proposing and considering the closure of a school, the Authority must follow the statutory guidance referred to in the body of this report and act in accordance with the relevant legislation (The Education and Inspections Act 2006, Part 2 and Schedule 2 and The School Organisation (Establishment and Discontinuance of Schools) Regulations 2014).

2.3 Consultation/community engagement

2.3.1 Internal Consultation

The matter has been part of discussions with Mayor and Cabinet over a number of years and formally reported to Cabinet. Discussions have been held with the Elected Mayor and Cabinet Members and with the senior team leading services for schools throughout the consultation process. Specific conversations about this consultation took place with the Cabinet Members for Education, Inclusion, Employment and Skills (31 October 2024) and for Finance and Resources (5 November 2024) as part of consultation by the Director Children's Services and Director of Resources respectively, prior to reaching a decision.

2.3.2 External Consultation/Engagement

- Discussion with Headteachers at meetings, individually and in partnership groups and through Headteacher representative Groups over the last two years:
- Briefings and reports to Headteachers
- Discussions with headteachers and governors in the planning area and across North Tyneside over the last decade
- There have been a number of meetings held over recent years with all Headteachers in the planning area, in groups and individually to develop a shared understanding of the issues, and to work together to develop possible options moving forward.

- The Authority is very keen to work in partnership and have a collegiate approach to working with the schools to overcome challenges and make the most of opportunities.
- This was evident in the Education Review of 2014 where all schools were consulted on options for the future of education in North Tyneside. The approach agreed following this consultation, with regard to the North East Planning Area. was that the schools agreed to work together and with the Authority to retain the three-tier system whilst managing places, raising standards and controlling costs.
- Representations have been made on several occasions to the DfE and MHCLG and the Authority has written to both departments asking for their help and views.
- The pre-publication consultation ran from 17 September 2024 to 30
 October 2024 and involved engagement all relevant stakeholders as summarised in Appendix 1

2.4 Human rights

This report has been prepared having regard to Article 2 of the First Protocol of the Human Rights Act 1998 and a person's right to have an effective education.

2.5 Equalities and diversity

The consultation involved a broad range of stakeholders and will ensure that equality and diversity issues are represented and considered to ensure fair and equal treatment of pupils and staff in North Tyneside schools.

An Equality Impact Assessment (EqIA) has been undertaken and shows 'due regard' to the potential impacts on those with the following protected characteristics: age, disability gender reassignment, pregnancy and maternity, race, religion or belief, sexual orientation, carers and socioeconomic disadvantage. Specific steps have been taken to consider pupils who have additional needs. The EqIA is kept under review and updated as part of this ongoing process. It is attached at Appendix 6.

2.6 Risk management

Any consultation will be carefully managed and evaluated in line with statutory guidance and taking account the views of consultees in order to minimise and mitigate risks.

2.7 Crime and disorder

There are no crime and disorder implications arising directly from this report.

2.8 Environment and sustainability

There are no environment and sustainability implications arising directly from

this report. Any environmental and sustainability implications arising from the consultation proposal will be duly considered.

PART 3 - SIGN OFF

Chief Executive	ve X
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- Director(s) of Service X
- Mayor/Cabinet Member(s) X
- Chief Finance Officer X
- Monitoring Officer
 X

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Interim Director of
 Corporate Strategy
 and Customer Service