

Merton Council

Children and Young People Overview and Scrutiny Panel

8 November 2017

Supplementary agenda

6 Update: Harris Wimbledon

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Committee: Children and Young People Overview and Scrutiny Panel

Date: 8 November 2017

Agenda item:

Wards: Borough wide

Subject: **Harris Academy Wimbledon – new school update**

Lead officers: Yvette Stanley – Director of Children, Schools and Families

Lead member: Cllr Caroline Cooper-Marbiah – Cabinet member for Education

Contact officer: Tom Procter – Head of Contracts and School Organisation

Recommendations:

- A For the Scrutiny Panel to consider and comment on this update report regarding the new Harris Academy Wimbledon School, and in particular monitor progress on the specific matters referenced at the Panel meeting on 29 June 2016 and note the 261 additional resident on-time admissions applications for September 2018 compared to last year.

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to update the Scrutiny Panel regarding the new Harris Academy Wimbledon School and, in particular, to the reference at the 29 June 2016 Panel prior to the Cabinet decision made on 4 July 2016 to assemble the site at High Path for the new school.
- 1.2 The report also reviews the demand for and supply of secondary school places, and in the context of current and anticipated place needs, assesses the risks and implications of not delivering the school by September 2018 as planned. In particular, following previous growth in pupil numbers, the council has now received some 261 additional resident on-time admissions applications for September 2018 compared to last year.
- 1.3 While good progress has been made on a complex project, and the concerns raised by the Panel in 2016 have been taken into consideration, the main risk to the delivery of the new school project on schedule is the moving of Elim Church from the High Path school site to Merton Hall.

2 DETAILS

School Need: Population projections/school rolls:

- 2.1. It is necessary to regularly review the demand and supply of school places. The firm evidence that demand for places has now reduced at reception age in primary schools (all-be-it still at a significantly higher level than before the growth in the late 2000s), and the cost of a new secondary school makes it especially relevant. Officers have therefore reviewed the need for a new secondary school.
- 2.2. School improvement in Merton secondary schools has been significant in recent years. All of Merton's secondary schools are now rated 'good' or 'outstanding' and

2017 provisional Progress 8 results puts the borough's schools as the best performing schools in the country¹.

- 2.3. A new good quality secondary school will add to Merton's provision and in addition to meeting the 'basic need'² for school places, it will provide the following positive benefits:
- Residents in parts of South Wimbledon (for girls), Colliers Wood, and north of Wimbledon (for boys) will benefit as current experience is that they cannot currently obtain places in Wimbledon schools
 - Less need for pupils to travel substantial distances for a school place outside the borough
 - Increased choice – currently all Wimbledon schools are single sex
 - A new school with high standards would add to the council's positive journey in being a good place for families to live to receive secondary education
 - The consultation by the Harris Federation in spring 2017 showed strong support for the new school
- 2.4. The number of year 6 pupils in Merton schools has increased by 421 pupils over the period 2006/07 - 2016/17. However, to date, the extra pupil numbers transferring into our secondary schools has been more modest, and there has been an increase in the number of residents going out of the borough for their education.
- 2.5. Table 1 below shows how the year 6 to year 7 transfer rate has fallen from 90% in 2007/08, to 85% in 2011/12, to just below 81% in 2014/15. For the last two years, the transfer rate has been just below 75%. The retention rate takes into account the transfer patterns from year 6 and 7, with a greater level of 'exports' (children resident in Merton and attending out borough schools), to 'imports' (children from other boroughs attending Merton schools), and a drift after year 6 into the independent sector. DfE figures show that in 2016/17 only 58.3% of Merton residents attending a state funded school did so at a school within the borough. In this respect, the council now has the lowest figure in London.
- 2.6. Six of our eight schools are now substantially full in year 7, with two schools (to the east of Mitcham town centre, and to the west close to the RB Kingston border) making up most of the current 156 surplus places in year 7 (9%).
- 2.7. Officers' assessment of the reason for the fall in the Year 6 to Year 7 retention rate is that LB Merton has not expanded any schools (with the exception of 60 places at Harris Merton), yet neighbouring boroughs have done so above their local population rise. More local residents have been able to get a place at a high preference out-of-borough school.
- 2.8. A survey of neighbouring authorities confirms that they plan to provide year 7 places slightly below their forecast year 6 rise over the next few years, so it is likely that the retention rate in LB Merton will revert towards previous levels, especially if a new popular, accessible school is open.
- 2.9. There is a particular issue in that there is further growth of 259 pupils in the current year 6 entering secondary school in 2018/19 that will result in the total growth over

¹ Progress 8 scores, published by the Department for Education, show how much progress pupils make between the end of Key Stage 2 and the end of Key Stage 4 compared to other teenagers across England who achieved similar results at the end of Key Stage 2

² Basic Need is defined as when there is an overall shortage of school places in an area

the 11- year period being 680 pupils. This increased demand is confirmed by the recent secondary school admissions application information for 2018/19.

2.10. Table 2 shows that based on existing pupils in our primary schools, this substantially higher number of pupils will remain relatively consistent for at least five years. After this time, it will fall back slightly but will still be at higher levels than the present year 7.

2.11. Table 2 also shows the forecast deficit (-) of places should no extra places be added i.e. Harris Wimbledon does not open. This forecast is based on various transfer rates, and a minimum 5% surplus allowance. Some surplus is required to allow an element of choice and in-year transfers; the Audit Commission recommendation of 5-10% is considered the standard good practice to ensure a balance of efficiency and choice.

TABLE 1 – 2006/07-2017/18 YEAR 7 SECONDARY SCHOOL ROLL AND SURPLUS WITH TRANSFER RATE FROM YEAR 6

(NOTE A SURPLUS OF 5-10% IS RECOMMENDED: 5% IS 86 PLACES, 10% IS 172 PLACES)

Academic year	Year 6 actual roll (cohort is year 7 following year)	Year 7 actual roll	Year 6 to year 7 transfer percentage	Total of Admission numbers - Year 7	Actual Surplus	Surplus with 5% allowance
2006/07	1692	1531	88.5%	1669	138	55
2007/08	1794	1518	89.7%	1669	151	68
2008/09	1762	1583	88.2%	1669	86	3
2009/10	1756	1544	87.6%	1669	125	42
2010/11	1725	1502	85.5%	1669	167	84
2011/12	1837	1457	84.5%	1669	212	129
2012/13	1817	1454	79.2%	1669	215	132
2013/14	1848	1465	80.6%	1669	204	121
2014/15	2024	1492	80.7%	1669	177	94
2015/16	2081	1578	78.0%	1669	91	8
2016/17	2113	1558	74.9%	1699	141	56
2017/18	2372	1573	74.4%	1729	156	70

TABLE 2 – BASED ON NO FURTHER EXPANSION, FORECAST SURPLUS/DEFICIT (-) BASED ON VARIABLE TRANSFER RATES, WITH 5% SURPLUS ALLOWANCE INCLUDED IN FIGURE

Academic year	Year 6 forecast roll (cohort is year 7 following year)	Surplus/ deficit (-) if 75% transfer with 5% allowance	Surplus/ deficit (-) if 80% transfer with 5% allowance	Surplus/ deficit (-) if 85% transfer with 5% allowance	Surplus/ deficit (-) if 90% transfer with 5% allowance
2018/19	2324	-140	-254	-373	-491
2019/20	2314	-97	-216	-332	-448
2020/21	2332	-90	-208	-324	-439
2021/22	2344	-105	-223	-339	-456
2022/23	2250	-113	-232	-349	-466
2023/24	2184	-43	-157	-270	-382
2024/25	2112	6	-104	-214	-323

- 2.12. Table 2 shows that, based on the current 75% transfer there will be a 140 place deficit once the minimum 5% surplus is allowed (this is an actual deficit of 54 places), which will be relatively consistent until 2023/24.
- 2.13. Moreover, if we revert to 80% transfer as three years ago, the deficit will be 254 places once the 5% minimum surplus is allowed (and an actual deficit of 168). If the transfer is 85% or 90% then the council would require substantial extra provision on top of the new school. As stated above, it is likely that the retention rate in LB Merton will revert towards previous levels, especially if a new popular, accessible school is open.
- 2.14. The admissions applications closing date for September 2018 secondary school entry was on 31 October 2017. The council has already received 2,265 applications and when 'accepted lates' are included it is expected to be approximately 2,300. This is 261 more than last year's figure of 2,039. Offer day is on 1 March 2018
- 2.15. The above evidence confirms that there will be serious consequences for the council in providing sufficient places if Harris Academy Wimbledon does not open in September 2018 as advertised.

Harris Wimbledon site assembly issues

- 2.16. On 4 July 2016 Cabinet authorised the Director of Environment and Regeneration to complete the freehold purchase of land for the provision of the new Harris Academy Wimbledon secondary school. Due to the commercial sensitivity the report was exempt but the report was made available in full to this Panel. Following recent FOI requests officers have agreed to publish the report (with some redactions where the information is still commercially sensitive), and for transparency and ease of reference this version is included as appendix 1 to this report.
- 2.17. The secondary school is now scheduled to open in September 2018 at a temporary site in the former Adult Education building, Whatley Avenue SW20. The site only has sufficient space for two year-groups of pupils so it is necessary for the permanent site at High Path to be ready for September 2020. With 18-20 months of construction time to build the school, the High Path site needs to be clear in early 2019 to enable completion of the school on time and avoid the complexities of a third year in temporary classrooms. If a clear way forward is not established in January 2018 the opening of the school may be deferred by the ESFA (Education and Schools Funding Agency, the agency of the government's Department for Education), and officers are working closely with the ESFA to avoid a deferral.
- 2.18. To enable the Harris Wimbledon Academy School to be built on High Path the following bodies need to vacate:
- High Path Community and Resource Centre
 - Domex appliance services
 - Elim Church
- 2.19. There is also a need to work with Merton Abbey Primary School to enable an element of their playing field to be part of the Harris Wimbledon site in return for Merton Abbey having access to a larger games area at set times.
- 2.20. The plan below shows the individual components:



2.21. The following is an update on the land assembly since July 2016:

High Path Community and Resource Centre

2.22. Officers in Community and Housing Department have worked closely with stakeholders to provide an alternative facility at 21 Leyton Road. There is now broad agreement that this is a positive move for the service, and planning permission has been received for the new facility.

2.23. There is also an agreed plan for Children’s, Schools and Families staff and commissioned services to move from 21 Leyton Road, to either the Chaucer Centre or to an extended Bond Road Family centre, for which work has commenced.

2.24. The moving of High Path Community and Resource Centre therefore poses no serious timescales risk to the project.

Domex appliance services

2.25. The council has purchased the property, and agreed a lease back until February 2018. This enables Domex to find alternative premises and ties in with their leaseholder which expires at this time. This element therefore poses no serious risk to the timescales of the project.

Merton Abbey Primary School

2.26. In summer 2016 Merton Abbey School governors raised concerns regarding the council’s proposal. However, they were far more encouraged by the council’s and ESFA’s revised proposals in autumn 2016 which means that only a small portion of the field is lost in return for use of an artificial turf pitch at agreed set times. As part of this agreement, the council has agreed a £60,000 grant from the EFA to improve the school’s landscaping and the school has worked positively with the ‘Learning through Landscapes’ organisation on proposals to use this money effectively.

Elim

2.27. In July 2016 Cabinet approved the land swap of Merton Hall (refurbished and re-built at the rear to be fit for purpose) and Elim Church’s land. Following a refusal in April 2017, on 21 September 2017 Planning Applications Committee approved a revised design for Merton Hall. Tenders will be returned shortly for the works but the delivery of this scheme is now complicated by challenges on two aspects outlined below:

- On or around 27 September 2017 a member of the public submitted an application to Historic England to list Merton Hall. Historic England will provide

their recommendation to the Secretary of State for Digital, Culture, Media and Sport (DCMS) by 21 December 2017, who will then make her decision in January 2018.

- On 21 September 2017 a nomination was submitted to the council to list Merton Hall as an Asset of Community Value (ACV). The council is due to make a decision on the ACV listing by 16 November 2017.

2.28. While Cabinet would need to wait until the Secretary of State makes her decision on the heritage listing prior to any works commence, following the return of tenders, Cabinet is due to make a contract decision at its meeting on 11 December 2017.

Update on references made by Scrutiny Panel on 29 June 2017

2.29. The following table provide an update of the references made by the Scrutiny Panel on 29 June 2017:

Reference from CYP Overview and Scrutiny, 29 June 2017	Officers' update, 1 November 2017
1) ensuring the opening date for the new school is optimised to not destabilise existing Merton secondaries	At the time of this reference the official opening date for the school was 1 September 2017. There was forecast to be stability in demand for year 7 places from 2016 to 2017 before a significant increase in demand for September 2018, so LB Merton secondary school headteachers were concerned about the impact on their rolls if the school was to open too early. The council's administration supported this request, and the complexity of the land assembly in any event meant that the opening was deferred to September 2018. The main body of this paper reviews the latest on the demand and supply of school places, concluding the importance of the school opening for September 2018.
2) maximising the design to give pupils the same advantage enjoyed by children at other Merton secondaries	The ESFA (Education and Schools Funding Agency) are responsible for the design to provide the new school. However, council officers, both in CSF department and as part of the planning process, have provided their support where they can. The detailed feasibility plans show that the school will have all the modern new internal facilities that any new school is entitled to, including a four badminton court sized sports hall. The school has been effectively designed over 5 storeys with a separate sports hall that will be raised above ground floor level to also

	<p>provide some extra recreational space in addition to the 3-tennis court sized multi use games area.</p> <p>The ESFA are currently in the process of appointing from a short list of two contractors, following a competitive process which included an element of design competition. Officers will continue to work with the ESFA.</p>
3) supporting Merton Abbey Primary in agreeing shared use of the site	<p>Following the reference in June 2016, officers worked in more detail with the ESFA and Merton Abbey Primary School. As a result a new proposal was developed which uses far less of the Primary School land. A three tennis court sized multi use games area (MUGA) will be developed, two thirds of which will be on the Harris Wimbledon site, one third on Merton Abbey's current school site. This area will all be in the 125 year lease for the new school. There is provision for Merton Abbey school to be able to use the facility at set times agreed with Merton Abbey's school leadership team, including use for after school and holiday clubs.</p>
4) protecting the financial interests of the borough during the development of the site	<p>The main reason for the council facilitating a Free School is that the ESFA meets the majority of the cost. The council is ensuring the financial package agreed with the ESFA in summer 2016 and reported to cabinet in July 2016 remains the position. This is that the ESFA is responsible for the entire cost of building the school (circa £25-30 million), with the council providing a clear site and receiving £5.85 million from the ESFA for this. The net cost to the council of the new school is therefore substantially below £10 million</p>
5) sustaining the level of community rental space	<p>This reference related to some concern about the sale of Merton Hall to Elim Church. However, the council has sustained the level of community space by:</p> <ul style="list-style-type: none"> • A former office at Pincott Road being adapted to provide two community

	<p>rooms, operated by SWCA (South Wimbledon Community Association)</p> <ul style="list-style-type: none"> • Facilitating the hall at All Saints Primary School to be operated by SWCA outside school hours • Elim Church confirming that the Merton Hall building would still be open to lettings when not required by the church, and the church will still be operating its food bank for the local community. • The Chief Executive of the Harris Federation writing to confirm that they would like the new school to be open the community outside school hours, and would like to work with SWCA in delivering this • There is still capacity in other local schools for outside lettings and other council premises if there is demand. <p>Merton Hall closed as a community centre on 1 October 2017, with Pincott Road opening, and all of the previous users have found an alternative location.</p>
<p>6) ensuring the safety of pupils using the site</p>	<p>The safe entry and exit for from the site is important to the design. To obtain planning permission a transport statement will be required to demonstrate this, and the design and layout of the building will ensure maximum space for children. Although the design is still at a relatively early stage, ideas have already been developed to ensure maximum space for children. This includes providing the three courts games area, and raising the sports hall above ground floor level so there is recreation space below it. Off-site playing field availability is also expected to be provided at Nursery Road Playing Fields. This is less than 5 minutes walk from the school and a safe walking route will need to be ensured.</p>

Support for the school and admissions arrangements

2.30. The Harris Federation ran a 6-weeks consultation on the establishment of the Academy and the Admissions arrangements in February/March 2017. This was advertised in the local paper, posted on the Harris Wimbledon website with

signposting on the council website and letters and booklets were sent out to primary schools for distribution to parents, Six consultation events were held, mostly in primary schools from 8 February to 9 March 2017.

2.31. In total nearly 300 parents/carers attended the events. 448 questionnaires were returned and 425 (94.9%) supported the proposal that the school should open.

2.32. The biggest concerns raised were about admissions and whether parents would succeed in getting their children admitted when they might live some distance away from nodal points³. Many parents thought the nodal points were in the wrong place and 81% stated they should be changed. There was particular concern raised by residents in Colliers Wood who felt they did not currently have access to a local secondary school.

2.33. As a result the nodal points for 2018 admissions were changed by the Harris Federation to be:

- Merton Abbey Primary School 33%
- Colliers Wood Station 33%
- Haydons Road Station 33%

³ Note - 'Nodal points' is where priority for places is based on distance from a specified point rather than outside the school gate. It allows an admissions authority to give greater priority to an area where it is perceived there is a greater priority for school places

3 ALTERNATIVE OPTIONS

Alternative sites to High Path for a new school

- 3.1. The council has been considering options for a secondary school site since 2013. In July 2013 Capita produced an analysis of over 200 sites as part of the site selection options for a new secondary school. Beyond the site at High Path, only four sites were identified by Capita as being potentially suitable and, following a subsequent Atkins report, it was confirmed that only one (Worsfold House) was potentially viable. This was discounted due to its impact on needing to move one special school, impacting on the expansion of another, and its location in Mitcham
- 3.2. In July 2016 the EFSA and Cabinet agreed that High Path was the only viable option for the new school out of the short-listed sites.
- 3.3. Having reviewed again the options identified in the Capita report and the advice to Cabinet in July 2016, officers can confirm that none of the alternative sites shortlisted in the original report or any others since this time present a viable alternative site for the school.

Deferral of school opening

- 3.1. On the basis that the council would need to find at least four forms of entry per year for at least six years to meet sufficient provision, the implications of deferring the school are as follows:
Defer Harris Wimbledon opening for a year
- 3.2. If additional places are to be provided in the Wimbledon area, temporary classroom provision for 2 extra classes each at existing Wimbledon schools would need to be negotiated. Negotiation would be very difficult as these existing schools have stated they do not wish to expand and would consider temporary classrooms at their school

to be even worse. If these schools could be persuaded, the estimated cost is £1 million.

Defer opening indefinitely

- 3.3. In this instance, the council would need to provide the expansion for all five year groups of the secondary school. If the bulge lasts 6 years, then the schools would need to have some of the accommodation for 11 years until it feeds through the school. If the retention rate reverts to the 80% level or above it would need to be kept in perpetuity. Therefore it would be very difficult to avoid a solution that wasn't permanent accommodation, with an approximate cost of approaching £20 million to provide 120 extra places per year. The new school will provide 180 places per year so if demand is towards the higher range, then the cost to the council would be above £20 million. It should be recognised that the DfE would not meet these additional costs as it would not be part of the Free School programme.

4 CONSULTATION UNDERTAKEN OR PROPOSED

- 4.1 The council publicised its plans for the school with land implications in autumn 2016 and a public meeting was held on 21 November 2016. The scheme at Merton Hall required a planning application, which included a representation period. This included a high number of objections to the scheme. A petition has so far raised over 3,500 signatures asking LB Merton: (1) To lead the way in respecting our dwindling heritage and planning law. (2) To shelve its plans for unnecessary demolition of a solid and fit-for-purpose building steeped in history and public legacy, and (3) To find an alternative site for Elim Church or issue it with a compulsory purchase order (CPO).
- 4.2 The Harris Federation ran a 6-weeks consultation on the establishment of the Academy and the Admissions arrangements in February/March 2017, the details of which were outlined above. 425 (94.9%) people responded supporting the proposal that the school should open.

5 TIMETABLE

- 5.1. The importance of the school opening in September 2018 is outlined elsewhere in this report.
- 5.2. The Education and Skills Funding Agency is responsible for deciding the opening date of the school. To confirm opening for September 2018 at Whatley Avenue, they have requested a confirmed timescale by early 2018 that provides a clear site at High Path in early 2019 to enabling construction works to commence at that time and complete for September 2020.

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 6.1. The EFSA is meeting the full cost of adapting Whatley Avenue for a temporary school and to build the new school at High Path (circa £25-30 million). The council's costs are for site purchases and construction projects to enable a clear site at High Path, and the EFSA has also agreed a payment to the council of £5.85 million in return for the 125 year lease. The council's capital programme currently provides the following funding for the Council's contribution to the new school, with the net cost to the council expected to be substantially below £10 million.

- 6.2. The substantive expenditure for the council is the purchase of Domex (already paid in 2016/17), the Merton Hall scheme to secure the purchase of the Elim land, and the extension/adaptation of Leyton Road for the Day Centre. Expenditure is also required to allow the vacation of Leyton Road and for Merton Abbey Primary School landscaping improvements.
- 6.3. If Harris Wimbledon opens in September 2018 but due to delays in providing a clear site, it is not completed for September 2020 it is currently estimated that potential extra costs in 2020/21 of £500-800k would be required for temporary accommodation. If new temporary classrooms are purchased this expenditure would be capital if in use for more than 1 year if existing temporary classrooms are re-located this expenditure would be revenue. The council's MTFS (Medium Term Financial Strategy) provides £550k per annum for revenue costs associated with school expansion and if this sum is required it would need to be a first call on this budget. This budget is currently offsetting our overspends within the CSF revenue budgets for 2017/18.
- 6.4. If the new build school is deferred to September 2019 it is envisaged the council would need to provide at least four forms of entry in temporary classrooms at existing schools, which would need to remain at the schools for at least five years. The cost would be circa £1 million and advice would be required on whether this could be capitalised or not.
- 6.5. There will be a DSG revenue cost implication as the LA would have to provide schools with bulge class funding for these classes at a cost of £80k per class. This will be met from the DSG growth fund.
- 6.6. A reduction in pupil numbers in the borough would have an impact on the funding Merton receives. The Schools Block funding is based on numbers of pupils in schools and transferred to schools to spend on education. The Central School Services Block allocation is also based on numbers of pupils and is provided to the LA to fund statutory education duties.

Property:

- 6.7. The property implications are in the main body of the report.

7 LEGAL AND STATUTORY IMPLICATIONS

- 7.1. The council has a duty under section 14 of the Education Act 1996 to secure that sufficient schools for providing primary and secondary education are available for its area. The Act provides that schools available for an area shall not be regarded as sufficient unless they are sufficient in number, character and equipment to provide for all pupils the opportunity of appropriate education. The local authority must exercise its functions under section 14 with a view to securing diversity in the provision of schools, and increasing opportunities for parental choice.
- 7.2. There is a statutory presumption that new publicly-funded schools should be academies. The DfE has confirmed that all new provision academies are now classified as "free schools". Under section 6A of the Education and Inspections Act 2006, if the council thinks that a new school needs to be established in its area, it must seek proposals for the establishment of an academy (free school) and specify a date by which proposals must be submitted. In considering the need for a new

school, the council can take account of any other free school projects that the DfE has approved and are due to open.

- 7.3. The council has power to acquire land by agreement for the purpose of a school which is to be maintained by a local authority or which the authority has power to assist, under section 531 of the Education Act 1996 and section 120 of the Local Government Act 1972. The Secretary of State may authorise a local authority to purchase compulsorily any land required for the purpose of an academy (whether established or to be established) under section 530 of the Education Act 1996.
- 7.4. The council may assist an academy (including a free school) under section 6 of the Academies Act 2010.
- 7.5. Section 123 of the Local Government Act allows a local authority to dispose of land in manner they wish provided they obtain the best consideration reasonably obtainable. A disposal includes a lease of seven years or more.
- 7.6. The legal and statutory implications arising from the applications received to list Merton Hall as a listed building and as an ACV and the impact and outcome of these applications on the proposed construction works, the land swap with Elim Church and the construction contract, will be provided to Cabinet for their meeting on 14 December 2017.

8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 8.1. An equalities impact assessment was carried out dated 1 July 2017 at the time of the Cabinet decision. This concentrated on the perceived equalities issues at that time, which related to High Path Day Centre and Merton Abbey Primary School rather than Merton Hall, with the Cabinet paper reporting that the current regular users were being located elsewhere.
- 8.2. There has been a challenge from a member of the public that the Pentecostal Church movement has negative views on homosexuality, and will therefore affect access to such facilities by the Lesbian, Gay, Bisexual and Transgender Community in the London Borough of Merton through the transfer of a Council owned facility to the Elim Church.
- 8.3. A new Equalities Assessment has therefore been completed. The conclusion is that, as in July 2016, the Equalities Assessment needs to take account of the various property transactions and other measures to develop the new school rather than Merton Hall in isolation. On this basis, there will be more facilities for all sections of the community as a result of the proposal even if it is assumed that Merton Hall is lost. This is due to the opening of Pincott Road to community use operated by South Wimbledon Community Association (SWCA), All Saints Primary school hall being operated by SWCA out of school hours, and the new Harris Wimbledon School having extensive community facilities out of school hours.

9 CRIME AND DISORDER IMPLICATIONS

- 9.1. There are no specific crime and disorder implications.

10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

This is a complicated project with a series of risks to be managed throughout the process. The various risks are outlined in the main body of the report.

11 APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT

Appendix 1 – 4 July 2017 Cabinet report (Publication of previously exempt report with some redactions)

12 BACKGROUND PAPERS

21 September 2017 Merton Hall Planning Application Committee Report

Background information on LB Merton's website:

<http://www2.merton.gov.uk/learning/schools/moreschoolplaces/harriswimbledon.htm>

Background information on Harris Federation website:

<http://www.harriswimbledon.org.uk/>

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Committee: Cabinet

Date: 4th July 2016

Wards: Borough wide implications

Subject: **Harris Wimbledon Secondary School – Required Site Approvals**

Lead officers: Yvette Stanley – Director of Children, Schools and Families
Chris Lee – Director of Environment and Regeneration

Lead members: Caroline Cooper-Marbiah – Cabinet member for Education
Mark Allison Deputy Leader and Cabinet Member for Finance

Contact officers: Tom Procter – Head of Contracts and School Organisation
Paul Ballatt – Assistant Director, Commissioning, Strategy and Performance
James McGinley - Head of Sustainable Communities

Recommendations:

- A. That Cabinet agrees recommendations A – G as set out in the exempt full Cabinet report contained at Appendix One
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1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. The subject of this report is the site assembly to provide for a new secondary school in Wimbledon - Harris Wimbledon. The report provides an executive summary of the exempt full Cabinet report contained at Appendix One.
- 1.2. This report provides all elements of the report that can be on non-confidential 'white' paper.

2 DETAILS

Executive summary of Exempt Full Cabinet Report

- 2.1. The requirement for a site for a new secondary school has been established for some time, with council reports to 11 November 2013 Cabinet, 15 October 2014 Children and Young People Overview and Scrutiny Panel, 8 June 2015 Cabinet and 18 January 2016 Cabinet.
- 2.2. Since the Secretary of State's approval of Harris Wimbledon as a Free School, officers have been working closely with the EFA to identify a suitable site.
- 2.3. Officers are now in a position to request Cabinet on 4 July 2016 for financial authority to purchase the required sites in South Wimbledon with related property transactions, with the final details to be agreed by the Director of Environment and Regeneration. For commercial reasons the sites need to remain confidential until heads of terms are formally agreed.
- 2.4. Once terms are formally agreed it will take some time for the site to be cleared so it is envisaged construction will not commence until summer/early autumn 2017 at the earliest and the permanent school will therefore not be completed until summer 2019 at the earliest.

- 2.5. In view of the significant need for additional school places by at least September 2018 a temporary site is required to provide for the first two cohorts of pupils.
- 2.6. The Whatley Avenue Adult Education centre is a former small high and middle school, and will be surplus to council requirements in August 2016. It has sufficient capacity for about 360 pupils, and as the new school will only be filling by 180 pupils per year Whatley Avenue could provide a temporary school for a maximum of two years. These pupils would be in school years 7 and 8; aged 11-12 and 12-13.
- 2.7. It is therefore proposed this building is used as a temporary school for the Harris Federation for up to two academic years, and a short term lease at a peppercorn rent should be provided for this purpose before reverting back to the council. The adaptation costs and the costs for the security of the building from September 2016 would be met in full by the EFA.

3 ALTERNATIVE OPTIONS

- 3.1. Details in the exempt full Cabinet report.

4 CONSULTATION UNDERTAKEN OR PROPOSED

- 4.1. Details in the exempt full Cabinet report.

5 TIMETABLE

- 5.1. The pre-opening approval from the Secretary of State is for the school to open in September 2017. For the council, the essential requirement is that the school must open to year 7 places by September 2018
- 5.2. The timetable is therefore for Whatley Avenue to be used as a temporary site for either the two academic years 2017/18 and 2018/19 or 2018/19 and 2019/20 for the new school site to be ready for either September 2019 or September 2020.

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 6.1. Details in the exempt full Cabinet report

7 LEGAL AND STATUTORY IMPLICATIONS

- 7.1. The council has a duty under section 14 of the Education Act 1996 to secure that sufficient schools for providing primary and secondary education are available for its area. The Act provides that schools available for an area shall not be regarded as sufficient unless they are sufficient in number, character and equipment to provide for all pupils the opportunity of appropriate education. The local authority must exercise its functions under section 14 with a view to securing diversity in the provision of schools, and increasing opportunities for parental choice.
- 7.2. There is a statutory presumption that new publicly-funded schools should be academies. The DfE has confirmed that all new provision academies are

now classified as “free schools”. Under section 6A of the Education and Inspections Act 2006, if the council thinks that a new school needs to be established in its area, it must seek proposals for the establishment of an academy (free school) and specify a date by which proposals must be submitted. In considering the need for a new school, the council can take account of any other free school projects that the DfE has approved and are due to open.

- 7.3. The council has power to acquire land by agreement for the purpose of a school which is to be maintained by a local authority or which the authority has power to assist, under section 531 of the Education Act 1996 and section 120 of the Local Government Act 1972. The Secretary of State may authorise a local authority to purchase compulsorily any land required for the purpose of an academy (whether established or to be established) under section 530 of the Education Act 1996.
- 7.4. The council may assist an academy (including a free school) under section 6 of the Academies Act 2010.
- 7.5. Section 123 of the Local Government Act allows a local authority to dispose of land in manner they wish provided they obtain the best consideration reasonably obtainable. A disposal includes a lease of seven years or more
- 7.6. Further details in the confidential Cabinet report. .

8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 8.1. Details in the exempt full Cabinet report.

9 CRIME AND DISORDER IMPLICATIONS

- 9.1. None specific

10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

- 10.1. Details in the exempt full Cabinet report.

11 APPENDICES – APPENDIX ONE: EXEMPT CABINET REPORT

12 BACKGROUND PAPERS

- 12.1. Previous council reports on secondary school expansion:
- 11 November 2013 Cabinet
 - 15 October 2014 Children and Young People Overview and Scrutiny Panel
 - 8 June 2015 Cabinet
 - 18 January 2016 Cabinet

Committee: Cabinet

Date: 4 July 2016

Wards: Borough wide implications

Subject: **Harris Wimbledon Secondary School – Required Site Approvals**

Lead officers: Yvette Stanley – Director of Children, Schools and Families
Chris Lee – Director of Environment and Regeneration

Lead members: Caroline Cooper-Marbiah – Cabinet member for Education
Mark Allison Deputy Leader and Cabinet Member for Finance

Contact officers: Tom Procter – Head of Contracts and School Organisation
Paul Ballatt – Assistant Director, Commissioning, Strategy and Performance
James McGinley - Head of Sustainable Communities

Recommendations:

- A. To authorise the Director of Environment and Regeneration to complete the freehold purchase of the following land for the provision of a new secondary school and to lease the land to the Harris Federation for the Harris Wimbledon School on a 125 year lease at a peppercorn rent:
 - (i) The land edged red on plan A from Domex to a maximum price of [REDACTED] [REDACTED] excluding stamp duty and fees
 - (ii) The land edged blue on plan A from Elim and to transfer in exchange the freehold of Merton Hall (the land edged red on Plan B) to Elim and to adapt and re-build the majority of the building for use by Elim to a maximum cost of [REDACTED] [REDACTED] excluding stamp duty and fees
- B. To agree that the High Path Day Centre land (edged green on plan A) should be leased to the Harris Federation for the Harris Wimbledon School on a 125 year lease at a peppercorn rent , with the day centre service moved to an adapted and extended 21 Leyton Road SW19 1DJ, and that Children Schools and Families services in this building will be located to other LB Merton accommodation
- C. To authorise the Director of Children Schools and Families to enter into an agreement with the Harris Federation to enable the Harris Wimbledon School to use part of the grassed area of the Merton Abbey Primary School playing field at times to be agreed and to note that for this agreement to be implemented the playing field will need to be converted to a synthetic turf pitch to provide for the more intensive use required – these costs will be met by the Education Funding Agency
- D. To agree that the Adult Education site in Whatley Avenue (land edged red on plan C) should be leased to Harris Federation on a short term lease at a peppercorn rent to provide school places for up to two academic years prior to the school on the High Path site being completed, either 2017/18 and 2018/19 or 2018/19 and 2019/20 depending on the agreed school opening date

- E. To note that in view of the displacement of South Wimbledon Community Centre from Merton Hall, officers are seeking to provide replacement accommodation on similar rental terms with an interim offer made for the currently vacant Pincott Road SW19
- F. To note that £16.55 million is included in the capital programme in the financial years 2016/17 to 2018/19 for the purposes of a new secondary school but the agreement with the EFA (Education Funding Agency) to pay for the construction cost and contribute to the council's land purchase ensures that the council's contribution to enable the new school and associated works after receipts from the EFA should be in the region of [REDACTED] (maximum of [REDACTED] prior to EFA contributions)
- G. To note this item will go for pre-decision scrutiny to the Children and Young People Overview and Scrutiny Panel on 29 June 2016, with an invitation to members of Sustainable Communities Overview and Scrutiny Panel.

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. The requirement for a site for a new secondary school has been established for some time, with council reports to 11 November 2013 Cabinet, 15 October 2014 Children and Young People Overview and Scrutiny Panel, 8 June 2015 Cabinet and 18 January 2016 Cabinet.
- 1.2. Since the Secretary of State's approval of Harris Wimbledon as a Free School, officers have been working closely with the EFA to identify a suitable site.
- 1.3. Officers are now in a position to request Cabinet on 4 July 2016 for financial authority to purchase the required sites in South Wimbledon with related property transactions, with the final details to be agreed by the Director of Environment and Regeneration. For commercial reasons the sites need to remain confidential until heads of terms are formally agreed.
- 1.4. Once terms are formally agreed it will take some time for the site to be cleared so it is envisaged construction will not commence until summer/early autumn 2017 at the earliest and the permanent school will therefore not be completed until summer 2019 at the earliest.
- 1.5. In view of the significant need for additional school places by at least September 2018 a temporary site is required to provide for the first two cohorts of pupils.
- 1.6. The Whatley Avenue Adult Education centre is a former small high and middle school, and will be surplus to council requirements in August 2016. It has sufficient capacity for about 360 pupils, and as the new school will only be filling by 180 pupils per year Whatley Avenue could provide a temporary school for a maximum of two years. These pupils would be in school years 7 and 8; aged 11-12 and 12-13.
- 1.7. It is therefore proposed this building is used as a temporary school for the Harris Federation for up to two academic years, and a short term lease at a peppercorn rent should be provided for this purpose before reverting back to the council. The adaptation costs and the costs for the security of the building from September 2016 would be met in full by the EFA.

2 DETAILS

Background

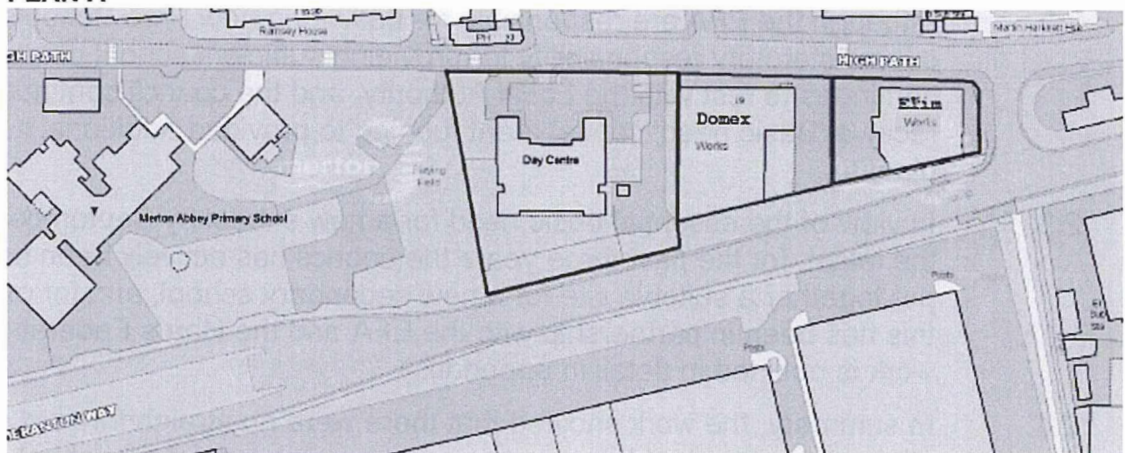
- 2.1. Following the requirement to provide significant additional primary school places, Cabinet has been aware of the need for additional secondary school provision for some time, with the following reports:
- At 11 November 2013 Cabinet it was identified that a new secondary school was required to complement expansion of existing secondary schools to enable the council to provide sufficient places, and that a search for additional school sites had been undertaken by Capita Symonds that identified a small number of potential options, though all had complications
 - At 15 October 2014 Children and Young People Overview and Scrutiny Panel it was reported that while expansion through existing schools could be delivered to meet expansion needs to the east of the borough, options for school expansion were limited to the west and a new school would therefore be better located towards the west of the borough. In view of there being more than one Free School application in the borough at that time it was noted that the administration's first preference for a new Free School would be for a Harris Federation school.
 - At 8 June 2015 Cabinet it was noted that the new school would be provided as Harris Wimbledon School following the Secretary of State's "pre-opening" approval as a Free School. It was recognised that while responsibility for identifying a site rests with the Department for Education under the Free School programme (and its executive agency the Education Funding Agency – EFA), the council can facilitate this process
 - At 18 January 2016 Cabinet it was reported that there was negotiation for the purchase of two possible sites, and that the opening date for the school currently agreed by the Secretary of State was September 2017, though the council's greater concern was for the school to provide sufficient places by September 2018
- 2.2. Although the EFA are responsible for delivering new Free Schools, the overall statutory responsibility for providing sufficient school places continues to rest with the Local Authority, and the council continues to receive 'Basic need' capital grant funding to provide additional school places.
- 2.3. In view of the essential basic need for a new school by September 2018 at the latest, for the past three years the council has actively been seeking to put together a suitable site for a new secondary school, and for over a year this has been in partnership with the EFA and the Harris Federation. This work is outlined in detail in appendix 1.
- 2.4. In summary, the work showed that there were no straightforward options as all require either building on open space, using a primary school site, or seeking multiple properties to establish a site large enough for a new secondary school.

- 2.5. In autumn 2015 the council and EFA therefore considered the feasibility of assembling land in High Path, South Wimbledon, owned by Domex and the Elim Church, and the Council's High Path Day Centre site. A high level feasibility study undertaken by Atkins in autumn 2015 concluded it was feasible for the 1,050 place school if it is 5-storey, and use could be made of Merton Abbey Primary School's playing field for some play and PE space.
- 2.6. After extensive evaluation the EFA, with the support of LB Merton officers, has agreed this as the preferred site as:
- All other options are unacceptable as they would involve using a primary school site, building on open space, or involve purchasing greater multiples of sites to establish the required site area of at least 8,000 to 10,000 metres square
 - The proposed site is in the ideal general location for a new school, being accessible to Wimbledon, Colliers Wood and to the north of Mitcham
 - Although a very small site compared to other LB Merton secondary schools it is large enough with shared provision with Merton Abbey Primary School, and only involves the purchases of two sites outside the council's control, with both land owners currently demonstrating a willingness to sell for the market price and/ or in exchange for replacement accommodation
 - The EFA has agreed to meet extensive costs for this option, meaning the council's net cost for the delivery of the school should be in the region of [REDACTED] depending on the agreed contribution from the EFA, although it also involves the council losing two assets (High Path Day Centre and Merton Hall).

Details on the High Path site

- 2.7. Officers are now in an advanced stage of detailed negotiation with establishing the site. The plan below shows the four elements of land at High Path that are required to provide a site for Harris Wimbledon School

PLAN A



- Purchase of the privately owned Domex site (No.61 High Path outlined red)

- Purchase of the Wimbledon Elim Pentacostal church site (No. 59 High Path outlined blue).
- Taking over the High Path Day Centre site owned by LB Merton (outlined green)
- Agreement for shared use of grassed element of Merton Abbey Primary School playing field, which would need to be converted to be a synthetic turf pitch (note Merton Abbey School has expanded buildings compared to this plan)

2.8. The details of these four elements, and related property transaction are outlined below.

Domex site.

2.9. Officers have been in detailed negotiations with Domex, with an initial offer made in October 2015. After a series of discussions and sharing of valuation evidence the Director of Environment and Regeneration concludes that, on the basis of alternative use value, an agreement to purchase for up to a maximum of [REDACTED] [REDACTED] excluding stamp duty and fees would represent best value for the council. This is based on the council approaching Domex to leave their site on a timescale that meets the reasonable needs of the council with the intention that a Compulsory Purchase Order could be enacted if necessary. On this basis the maximum value based on viable alternative use is [REDACTED] [REDACTED] but the compulsory purchase order costs would be in the region of [REDACTED] [REDACTED] [REDACTED] cost has been allowed.

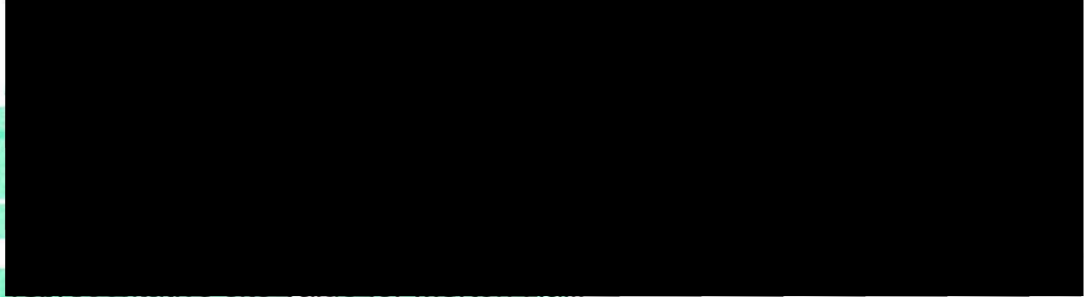
Elim Pentacostal church site (and Merton Hall)

2.10. Officers also made contact with the Elim Church in October 2015, and started more detailed discussion in early 2016. This established that Elim were prepared to move but only on the basis that they were provided with similar or better accommodation in SW19 to continue their church and related activities. It quickly became clear that the only practical site within the council's ownership to offer in exchange was Merton Hall, 76 Kingston Road SW19 1LA.

2.11. If the purchase was being progressed under a CPO, Elim would be entitled to opt for compensation on the basis of equivalent reinstatement. The position of the Elim Church is that they wish to be provided with Merton Hall being fit for their purpose for their church and they would not have the capacity to manage a major construction project for this purpose, particularly since it needs to be completed for the council in a timely way to provide a clear site for the new school on High Path. To enable Elim and the council to be satisfied that a viable scheme could be delivered, the council commissioned architects to undertake a feasibility study to understand the requirements of the church and the cost to deliver this. This demonstrated that the majority of the building (with the exception of the frontage) would be demolished and re-built to meet the equivalent needs of the Elim church. The estimate cost from a Quantity Surveyor is that this development would cost [REDACTED] [REDACTED] including fees but excluding VAT (which the council can claim back if the property is in the ownership of the council) and removal costs. With the requirement for a contingency, a budget of [REDACTED] [REDACTED] would be advisable for the council to manage this construction project.

2.12. As a further test of value for money, valuation advice has been received which concludes that, on the basis of alternative use value, and an allowance of [REDACTED] of the likely CPO costs, an agreement to purchase for up to a maximum of [REDACTED] excluding stamp duty and fees would represent best value for the council. Although the site size of Merton Hall is only moderately smaller than the Elim site, the advice in respect of the planning potential of this site is that there is no reasonable prospect of the site being brought out of community use and into commercial or residential use. Its existing use value is therefore based on its community use.

2.13.



2.14. The difference between the value of [REDACTED] and [REDACTED], and is therefore broadly the same as the budget required to provide the replacement facility under the equivalent reinstatement requirements. The Director of Environment therefore concludes that an effective land swap of the Elim and the Merton Hall site and the council completing a construction project of up to [REDACTED] represents best value for the council.

2.15. Merton Hall is currently occupied on a lease from the council to South Wimbledon Community Centre, with a six month break clause. The Community Centre provides facilities for community groups and other organisations to let. The centre could continue to provide for the majority of its lettings if a smaller facility could be provided, and progress could be made in facilitating their work with local primary schools to improve lettings of hall facilities. A property at Pincott Road SW19 has been identified for their use, which only requires minor refurbishment.

High Path Day Centre site

2.16. Discussion with officers in Community and Housing Department established that while this provision was not location specific, a replacement facility to a similar specification was required. Therefore the council's building at 21 Leyton Road SW19 1DJ was identified as a suitable alternative. A feasibility study estimated the cost to refurbish, adapt, and extend this facility was circa £1.2 million.

2.17. 21 Leyton Road is currently occupied for a variety of uses by the council's youth service administration and management, used as additional space by Children's Social Care contact activities, a lease to Catch 22 for a commissioned service, and a lease to Homestart. These services will need to be moved before adaptation work can commence to allow High Path Day Centre to move in. However, officers are confident a solution will be found to re-house all these services as necessary to other council buildings without unduly delaying the project.

Merton Abbey Primary School

- 2.18. The three parcels of land at Domex, Elim and High Path are collectively circa 6,565m². This is extremely small for a secondary school by any standards, especially within the context of LB Merton secondary school which are between 20,000m² (Ursuline which currently has 1363 pupils) and 65,000 m² (Harris Merton including on-site playing field which currently has 1117 pupils). The new school is approved to be 1,050 places (900 aged 11-16 plus 300 post-16 places).
- 2.19. Merton Abbey Primary School is adjacent to the new proposed site and is circa 10,500 m². LB Merton has 27 primary schools with the same pupil capacity (420 places plus 56 full time equivalent nursery places – 2 form entry) and it is the 10th largest site although it houses a small Children's Centre.
- 2.20. To ensure that Harris Wimbledon can benefit from some outside PE space on-site it is expected that use would need to be made of some of the grassed area of the Merton Abbey playing field. This area totals 3,300m². Once mature trees are avoided, it is envisaged about two-thirds of this would be converted to be a synthetic turf pitch that could be used far more intensively by Merton Abbey School and Harris Wimbledon. The Education Funding Agency has offered to meet all costs related to providing a synthetic turf pitch.
- 2.21. Even if this space of circa 2,200m² was simply taken from Merton Abbey Primary School, there would still be nine 2-form entry Merton primary schools with a smaller site size. In fact, the principle is that by making this area synthetic turf it would get far greater, more intensive use for Merton Abbey Primary School children, especially during the winter when the grass area can be too wet to use.
- 2.22. It is envisaged the area would remain under the management of Merton Abbey Primary School but with Harris Wimbledon being entitled to use it for some periods of the school day, with the details still to be negotiated. However, the governors of Merton Abbey Primary school have raised concerns regarding the impact on the children's access to varied play space and organised sport. Officers are in continuing dialogue with the school on the detail of an arrangement that could receive their support.
- 2.23. **Whatley Avenue (temporary site)**
- 2.24. As outlined in the timescales section, the completion of a new school on the High Path site is not realistically achievable until summer 2020, though there is some possibility of a phased completion by summer 2019.
- 2.25. In summer 2018 there will be a cohort of pupils leaving primary school that is circa 300 more than the present numbers, and 250 more than the previous year. While the exact number of pupils requiring a year 7 (first year of secondary school) place can vary depending on a number of factors, it is clear that the council must ensure the school opens to year 7 places by September 2018 if it is to fulfil its statutory obligation to provide sufficient school places.

- 2.26. The Whatley Avenue Adult Education centre is a former small high and middle school, and will be surplus to council requirements in August 2016. It has sufficient capacity for about 360 pupils, and as the school will only be filling by 180 pupils per year it could provide a temporary school for a maximum of two years. These pupils would be in school years 7 and 8; aged 11-12 and 12-13.
- 2.27. It is therefore proposed this building is used as a temporary school for the Harris Federation for up to two academic years, and a short term lease at a peppercorn rent should be provided for this purpose before reverting back to the council. The adaptation costs and the costs for the security of the building from September 2016 would be met in full by the EFA.

3 ALTERNATIVE OPTIONS

- 3.1. The council has been considering options for a secondary school site since 2013. Appendix 1 outlines these steps in detail to demonstrate how officers reached the conclusion that the High Path site is the most viable option.

4 CONSULTATION UNDERTAKEN OR PROPOSED

- 4.1. Once the site is approved it is the responsibility of the EFA to undertake a consultation on the new school. There will also need to be a consultation regarding the planning application process. Officers have been in discussion with the Headteacher and Chair of Governors of both Joseph Hood and Merton Abbey Primary School regarding the council's plans and will continue to be in dialogue.
- 4.2. Other services impacted by this proposal will also need to be consulted when the council's plans are able to be made public, including staff and key users of High Path Day Centre, 21 Leyton Road, and Merton Hall.

5 TIMETABLE

- 5.1. The pre-opening approval from the Secretary of State is for the school to open in September 2017. For the council, the essential requirement is that the school must open to year 7 places by September 2018
- 5.2. The timetable is therefore for Whatley Avenue to be used as a temporary site for either the two academic years 2017/18 and 2018/19 or 2018/19 and 2019/20 for the new school site to be ready for either September 2019 or September 2020.
- 5.3. The key to the project timetable is therefore for High Path to be a clear site to build the new secondary school.

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 6.1 Merton's approved Capital Programme 2016-20 contains the following budget for the development of a new 6 form entry school:

Financial Year	2016/17	2017/18	2018/19	2019/20	Total
	£000s	£000s	£000s	£000s	£000s
New 6fe School	5,070	7,000	4,479	0	16,549

A further £10.008 million is provisionally included within the indicative programme from 2020 to 2025. The two phase provision within the approved and indicative programme was to cover the net cost of a two phase scheme for the development of the school.

6.2 The major benefit of a Free School to the council is that the EFA is responsible for the delivery and most of the cost, but where it meets a basic need requirement, they also expect councils to provide some contribution.

6.3 Council officers have negotiated funding from the EFA that ensures:

- The EFA undertake the construction for the temporary and permanent school (and therefore fully meets all costs associated),
- The EFA provides the council with £1 million to recognise the costs of moving the High Path Day Centre
- The EFA provides 40% towards the site assembly costs to a maximum of [REDACTED]

6.4 The estimated cost to the council of the scheme is summarised in the table below:

Expenditure	£000s
Domex purchase £[REDACTED]m plus fees and stamp duty	[REDACTED]
Elim [REDACTED] inclusive construction budget plus fees and stamp duty	[REDACTED]
Leyton Road development feasibility estimate excluding removals, furniture etc.	1,200
Other associated costs e.g. to vacate Leyton Road and Merton Hall, removals, F&E and contingency for Leyton Road and related contingencies	500
General contingency	[REDACTED]
Sub total	[REDACTED]
Income from EFA	£000s
Site purchase costs contribution (40% contribution up to a maximum of [REDACTED])	[REDACTED]
Leyton Road reimbursement	(1,000)
Sub total	[REDACTED]
Likely maximum net cost to the council	[REDACTED]

6.5 Currently, there is insufficient detail to determine that all expenditure to progress the scheme would be of a capital nature e.g. it is envisaged that the removal costs from High Path to Leyton Road would be revenue. Based on the information currently available the proposals in this report would reduce the capital funding required in the approved programme by nearly [REDACTED] and remove the need for any provision within the indicative Capital Programme.

- 6.6 Within the capital model it is currently envisaged that the Authority will need to externally borrow in 2024/25, reductions to the capital programme of this magnitude will push back the need to start externally borrowing outside the modelling period. The table below shows the annual impact of reductions in capital expenditure on the Medium Term Financial Strategy:

Annual savings from Reduction in Budgeted Expenditure for the new Scheme	million £000s	Million £000s
Savings if internally borrowing		
Savings if externally borrowing		

- 6.7 Since the sites will not have vacant possession until at least the start of the 2017/18 financial year, the majority of the expenditure will be in the 2017/18 financial year so there will be some slippage of expenditure from the 2016/17 to 2017/18 financial year. The financial monitoring report elsewhere on the agenda progresses the re-profiling of the scheme.

- 6.8 The proposals in respect of the 125 year lease would be classified as a finance lease and result in the asset being taken off of Merton's balance sheet.

Value Added Tax Implications

- 6.7 The authority can recover the VAT incurred on the works to build the new school, and to adapt Merton Hall provided the contracts are in the name of the Council and invoices made out to the authority. The leases are at a peppercorn and so there is no VAT on them.

- 6.8 The transfer of Merton Hall as consideration for the sale of the Elim Church will need to be examined so that this transaction is reflected correctly in the Council's VAT accounts.

Property implications

- 6.9 The provision of a new 1,050 secondary school is clearly a major project, with just the construction cost being in the region of £25-30 million, and substantial site assembly costs.

- 6.10 As a result of this scheme the council will be transferring two properties currently within the council's freehold (a) High Path Day Centre will be leased to the Harris Federation for 125 years and (b) Merton Hall will be disposed of on a freehold to the Elim Church.

- 6.1. Whatley Avenue will only be transferred on a short term basis, to summer 2020 at the latest, and would then be available for a capital receipt to the council or another alternative use

7 LEGAL AND STATUTORY IMPLICATIONS

- 7.1. The council has a duty under section 14 of the Education Act 1996 to secure that sufficient schools for providing primary and secondary education are available for its area. The Act provides that schools available for an area shall not be regarded as sufficient unless they are sufficient in number,

character and equipment to provide for all pupils the opportunity of appropriate education. The local authority must exercise its functions under section 14 with a view to securing diversity in the provision of schools, and increasing opportunities for parental choice.

- 7.2. There is a statutory presumption that new publicly-funded schools should be academies. The DfE has confirmed that all new provision academies are now classified as “free schools”. Under section 6A of the Education and Inspections Act 2006, if the council thinks that a new school needs to be established in its area, it must seek proposals for the establishment of an academy (free school) and specify a date by which proposals must be submitted. In considering the need for a new school, the council can take account of any other free school projects that the DfE has approved and are due to open.
- 7.3. The council has power to acquire land by agreement for the purpose of a school which is to be maintained by a local authority or which the authority has power to assist, under section 531 of the Education Act 1996 and section 120 of the Local Government Act 1972. The Secretary of State may authorise a local authority to purchase compulsorily any land required for the purpose of an academy (whether established or to be established) under section 530 of the Education Act 1996.
- 7.4. The council may assist an academy (including a free school) under section 6 of the Academies Act 2010.
- 7.5. Section 123 of the Local Government Act allows a local authority to dispose of land in manner they wish provided they obtain the best consideration reasonably obtainable. A disposal includes a lease of seven years or more.
- 7.6. The nature of the various occupants in the council owned properties need to be considered to establish the nature of their occupation and how they can be terminated.

Contract Standing Orders and Procurement

- 7.7. Any works carried out by the council are subject to the council’s contract standing orders (CSOs).
- 7.8. CSO 21 requires that contracts for works over £100,000 but below the relevant threshold set out in the Public Contracts Regulations 2015 (SI 2015/102) (the “PCR”) (that limit currently being £4,104,352) are procured either via an existing framework agreement or via a competitive tendering process.
- 7.9. Any works carried out by the council are also subject to the PCR.
- 7.10. The value of the works at Merton Hall and Leyton Road are both less than the limit at which the PCR requires a more formal approach to the procurement (£4,104,352). However, the procurements are still subject to the PCR and still have to be carried out in a transparent, fair and non-discriminatory way.
- 7.11. If it is proposed that framework agreements are used to procure the developers, the council must lawfully be able to use the proposed framework agreements.

- 7.12. If framework agreements are not used, as CSO 21 requires the contract opportunities to be advertised, the PCR also requires them to be advertised on Contracts Finder, the Government's database of contract opportunities.
- 7.13. Other minor/incidental works carried out by the council will be subject to CSOs and the PCR, the impact of which will depend upon the value of those works.
- 7.14. Where Harris Academy or the Education Funding Agency carry out any construction works (either to the new school or the temporary school), CSOs would of course not be relevant.

8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 8.1. This project is to provide sufficient school places for the local community, particularly in the Wimbledon, Colliers Wood, and North Mitcham areas. As a result other services will be displaced but the replacement arrangements ensures that any disruption or changes would be mitigated and any disadvantage to protected groups would be minimal and would be outweighed by the need for sufficient secondary school places. The play and PE arrangements between Merton Abbey and Harris Wimbledon will be carefully thought out to meet the needs of all children.

9 CRIME AND DISORDER IMPLICATIONS

- 9.1. None specific

10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

- 10.1. A major site assembly has required significant risks, but these have been managed in the context of the need to provide sufficient statutory school places.

11 APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT

- Appendix 1 – Alternative Options considered before recommending High Path site
- Appendix 2 - Plan A: High Path site
- Appendix 3 – Plan B: Merton Hall site
- Appendix 4 – Plan C: Whatley Avenue site

12 BACKGROUND PAPERS

- 12.1. Previous council reports on secondary school expansion:
- 11 November 2013 Cabinet
 - 15 October 2014 Children and Young People Overview and Scrutiny Panel
 - 8 June 2015 Cabinet
 - 18 January 2016 Cabinet

APPENDIX 1

DETAIL ON ALTERNATIVE OPTIONS BEFORE THE RECOMMENDATION THAT HIGH PATH IS THE PREFERRED SITE

- 1.1. The council has been considering options for a secondary site since 2013. These are outlined below to demonstrate how officers reached the conclusion that the High Path site is the most viable option.

First step – the Capita report and related follow up work

- 1.2. The starting point was to commission a site search, which was undertaken by Capita Symonds (now Capita plc). This looked at all areas of the borough with the exception of the wards to the far east of the borough. For transparency, the Capita report was published on the council's website in 2015:
http://www.merton.gov.uk/learning/schools/moreschoolplaces/new_secondary_school_site_options.htm
- 1.3. The site search undertaken by Capita was an extensive and thorough piece of work, involving:
1. "Top-down" review of market availability
 2. "Bottom-up" detailed search for non-residential property
 3. Compilation of a 'long list', assisted by CSF and E&R officers
 4. Site visits to all properties on the long list
 5. First sift for suitability (not already developed, sufficient access, appropriate setting)
 6. Planning policy review of properties assisted by the Future Merton team
 7. Second sift for suitability and production of a short-list
 8. Title review, market assessment and capacity assessments
 9. Priority sites for detailed design and feasibility studies
- 1.4. Open space sites were not considered and the report noted the council's large primary school sites over 25,000m² where a secondary school might be provided on the site. However, it did not consider them in further detail.
- 1.5. The report considered 200 sites including many in the commercial sector. However, the only options in the commercial sector that were of sufficient size were industrial sites in the South Wimbledon and Colliers Wood area. The report stated these were not considered practical for purchase within a reasonable timescale due to their multiple ownership. The former Manuplastics site, Kingston Road SW20, was also discounted although it had been suggested several times by ward Members. This is because it is only 5,500m² so too small for a standalone secondary school, and the landowners made it clear that they were not willing to sell to the council for any reasonable market sum.
- 1.6. Only four sites were identified by Capita as potentially suitable, and all are within the control of the council. Atkins were then commissioned to undertake more detailed feasibility work on these four sites according to the latest Education Funding Agency (EFA) guidance. Canons Leisure centre and surrounding was entirely discounted due to heritage issues so only 3 sites were then identified as having any potential. These are summarised in the table below.

Site	Site capability to provide places
Merton Adult College (Whatley Avenue) as part of a split site (reduced specialist facilities including no sports hall)	3FE (450 places) no 6 th form
Worsfold House incorporating Melrose site	6FE (900 places) plus 6 th form
Chaucer Centre incorporating SMART centre	4FE (600 places) no 6 th form

- 1.7. However, as outlined below there are significant issues with these sites:
- 1.8. Merton Adult College: With some extension to the existing building, the site could only accommodate a maximum of approximately 450 places, and even then it would be challenging to manage the school provision due to the lack of any immediate open space.
- 1.9. Worsfold House and surrounding: This site has potential in that it is a sufficient size for a secondary school as long as the adjacent playing fields were utilised for outdoor PE and Melrose Special School was relocated. With the adjacent Cricket Green Special School also needing to expand to meet the rising need for special school places there would also need to be major re-modelling to ensure this could be provided alongside the new secondary school, and even then it may leave Cricket Green with insufficient space. In addition, this site is clearly to the east of the borough so a substantial number of children residing in Wimbledon would need to attend the school for it to fill. While public transport access is good e.g. through the tramlink, the experience of officers from primary school admissions is that it would be extremely challenging persuading parents of the children residing in Wimbledon to travel to Mitcham for their secondary school.
- 1.10. Chaucer Centre including SMART centre: This site could only accommodate a small school, 4FE with no 6th form, and would also have similar location issues as identified above for Worsfold House, as well as requiring the re-location of the pupil referral unit. It is less accessible generally for Merton residents than Worsfold House, near the borough boundary with Sutton, and in an area where there has not been the increased demand to expand any of our primary schools
- 1.11. In conclusion, since Merton Adult College and Chaucer Centre were established by the Atkins study as being too small, the only site with any merit from the Capita study was Worsfold House. However, as well as its complications regarding the need to move Melrose Special school and also compromising Cricket Green Special School, its location in Mitcham means that there would be concerns regarding whether it could attract the extra pupils from the schools that have expanded in Wimbledon.

Next steps – further appraisal of options

- 1.12. In view of none of the sites identified by Capita being considered suitable, officers considered whether (i) industrial units could be viable despite Capita's recommendations, (ii) part of an open space could be used and (iii) use of primary school sites.

1.13. These alternative options were considered on the basis that the minimum recommended site area for a secondary school is in the region of 9,000m² (Area guidelines for mainstream schools BB 103, published April 2014).

(i) industrial units:

1.14. Future Merton undertook additional investigations on two specific non-residential sites that had been identified in the Capita report that appeared most viable:

- Nelson Trading Estate (industrial estate at the end of Merantun Way)
- Lyon Road industrial site (part of the South Wimbledon Business Area)

1.15 Nelson Trading Estate is an industrial site accessed from Morden Road (A24) SW19 nearly opposite the junction of Merantun Way, and adjacent to Abbey Recreation Ground. It is approximately 2ha in size and is occupied by a series of relatively modern industrial type sheds: occupied by Staples close to Morden Road at the Merantun Way end with 16 further similar sized industrial units behind, well-occupied by businesses including plumbing supplies, builders and a Safestore . Capita flagged it up as possibly having potential for school use due to its size, location and non-residential land use, subject to land ownership

1.16 The Future Merton team investigated the site further in summer 2014. Land registry searches for the whole of Nelson Trading Estate show that the estate has one freeholder and is occupied by at least 16 separate business leaseholders, occupying similar sized premises, with lease ends varying from 2017 to 2028. There are also various utilities and access rights that apply to the estate. In conclusion, the site is not available for school use in the near future (i.e. by 2018) and, given the length and complexity of the lease structure, is unlikely to be available within the next 10 years.

1.17 Lyon Road industrial site runs north-south within South Wimbledon Business Area, to the east of the site where it meets Merantun Way to the north. It is made up of multiple sites, varying in size from over 3,000sqm to much smaller units. However, investigations found that the area is owned by at least eight separate freeholders (not including the financial institutions who have a financial investment in the sites) with a wide variety of plot sizes.

1.18 Some of these freeholds are further subdivided into a total of more than 20 leaseholders, with a wide variety of dates for lease endings. There are a few single ownership sites but, at under 2,000sqm, these are not of a size that would support a secondary school.

(ii) open spaces:

1.19 The council has extensive open spaces and the most appropriate considered were Nursery Road Playing Field (adjacent to Abbey Recreation Ground) and Morden Recreation Ground. However, it is recognised that the administration and government are normally opposed to building on open space and there are significant issues with these sites as outlined below:

Morden recreation ground: This would require building on Metropolitan Open Land ("MOL") which has the highest possible planning presumption against building. Past

efforts to develop the area demonstrates that there is likely to be strong opposition from local residents. Lastly the location is to the south of the area of demand.

Nursery Road playing fields: This would be building on an open space, although not Metropolitan Open Land or a park that is open to the public at all times. The school building footprint would be about 10% of the area, but more land would be required to be reserved for the school. However, this space is well used for sports provision and the loss of playing field would lead to an objection from Sport England and the requirement for central government to make the planning permission decision. Lastly, the freeholder is Rutlish Foundation (the council is in the middle of a long term lease) so the Rutlish Foundation would have a veto and informal discussion is that they would not agree, especially as the field is officially part of Rutlish School's provision to provide sufficient playing field space.

iii) primary school sites:

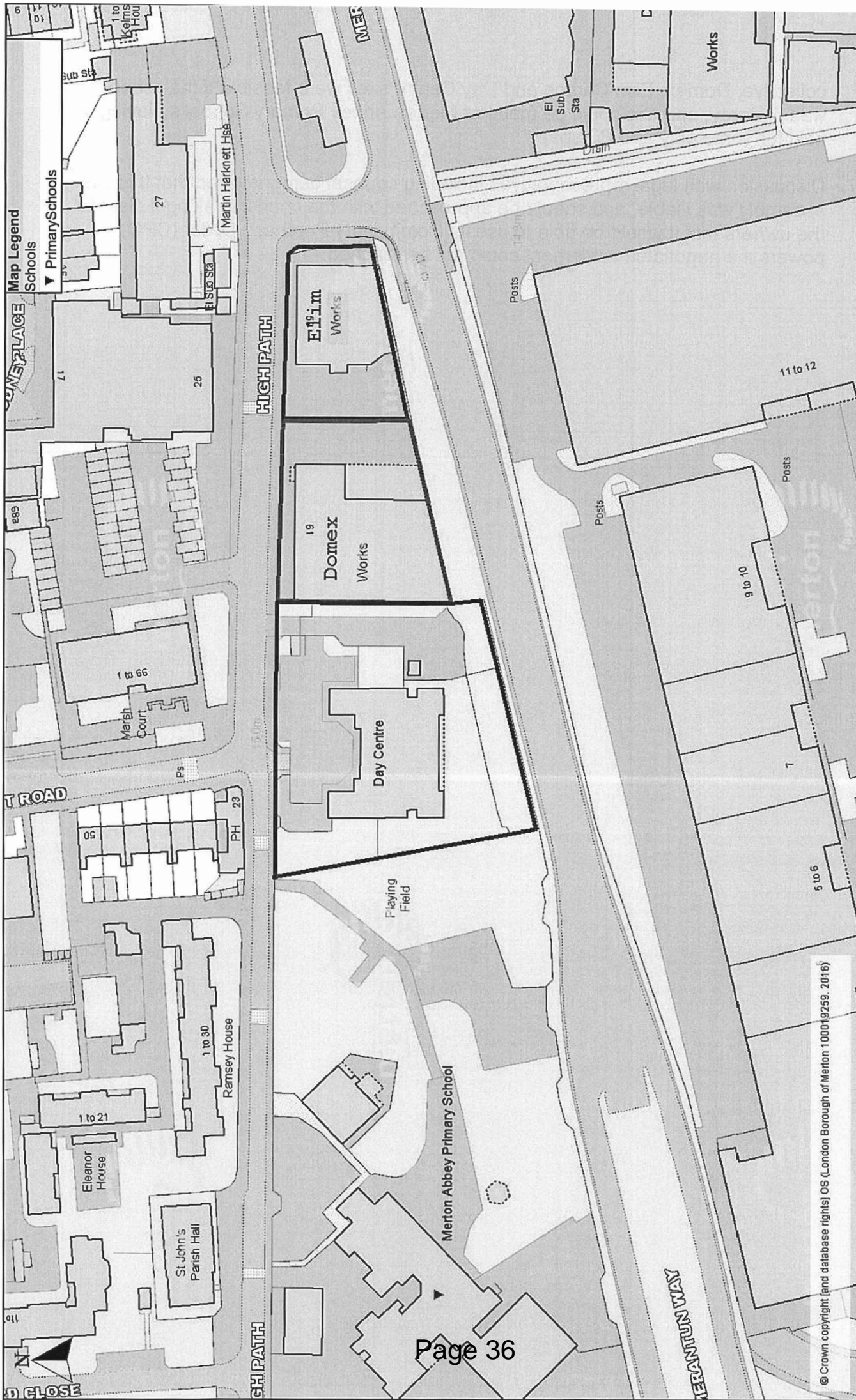
- 1.20 As acknowledged in the Capita report, the council has some large primary school sites that were previously high and middle schools. Cranmer, Hillcross, Wimbledon Chase, Liberty and Abbotsbury Primary Schools were all acknowledged in the Capita report to have a site area of over 20,000 m² (though in the case of Abbotsbury the large area is a protected meadow and in the wrong location in any case).
- 1.21 Building the secondary school on one of these four sites would mean expansion onto the school playing field involving the entire loss of the playing fields. All the schools have been expanded over the past eight years so already provide for 630 children plus nursery, so expansion would also provide highways related difficulties. In the case of Hillcross and Wimbledon Chase, the schools are surrounded at all sides by residential houses making extensive development particularly difficult.
- 1.22 The option of using a primary school site for a secondary school was not considered viable due to the continuing need for primary school places.

Further considerations to reach a conclusion

- 1.23. In summer 2015 the EFA started working with the council to identify a site and the EFA undertook their own site search. This provided no further viable options.
- 1.24. Officers therefore looked again to consider whether there were any further options. The possibility of utilising part of South Thames College was considered but, as well as not being in the ideal location, South Thames College made it clear to the EFA that they needed their site so would not sell for any reasonable sum.
- 1.25. The possibility of establishing a site at High Path was therefore considered in detail. Initially it was considered whether a new school could be established on the housing site as part of the overall housing regeneration project. However, it was quickly established that the site area for a new secondary school made this prohibitive, preventing the estate being able to be redeveloped and the timescale of estate regeneration and requirement for a new school did not match.
- 1.26. Therefore the proposed site in this report was considered for its viability. A high level feasibility study undertaken by Atkins in autumn 2015 established that the

collective, Domex, Elim Church and Day Centre sites were feasible if the school was 5-storey, and use could be made of Merton Abbey Primary School's playing field for some play and PE space.

- 1.27. Discussion with legal representatives including counsel demonstrated that this site assembly was viable, and should be approached with the council making it clear to the owners that it would be able to use its Compulsory Purchase Order (CPO) powers if a negotiated settlement could not be reached

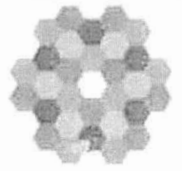


Land at High Path, Colliers Wood



Land Registry Official copy of title plan

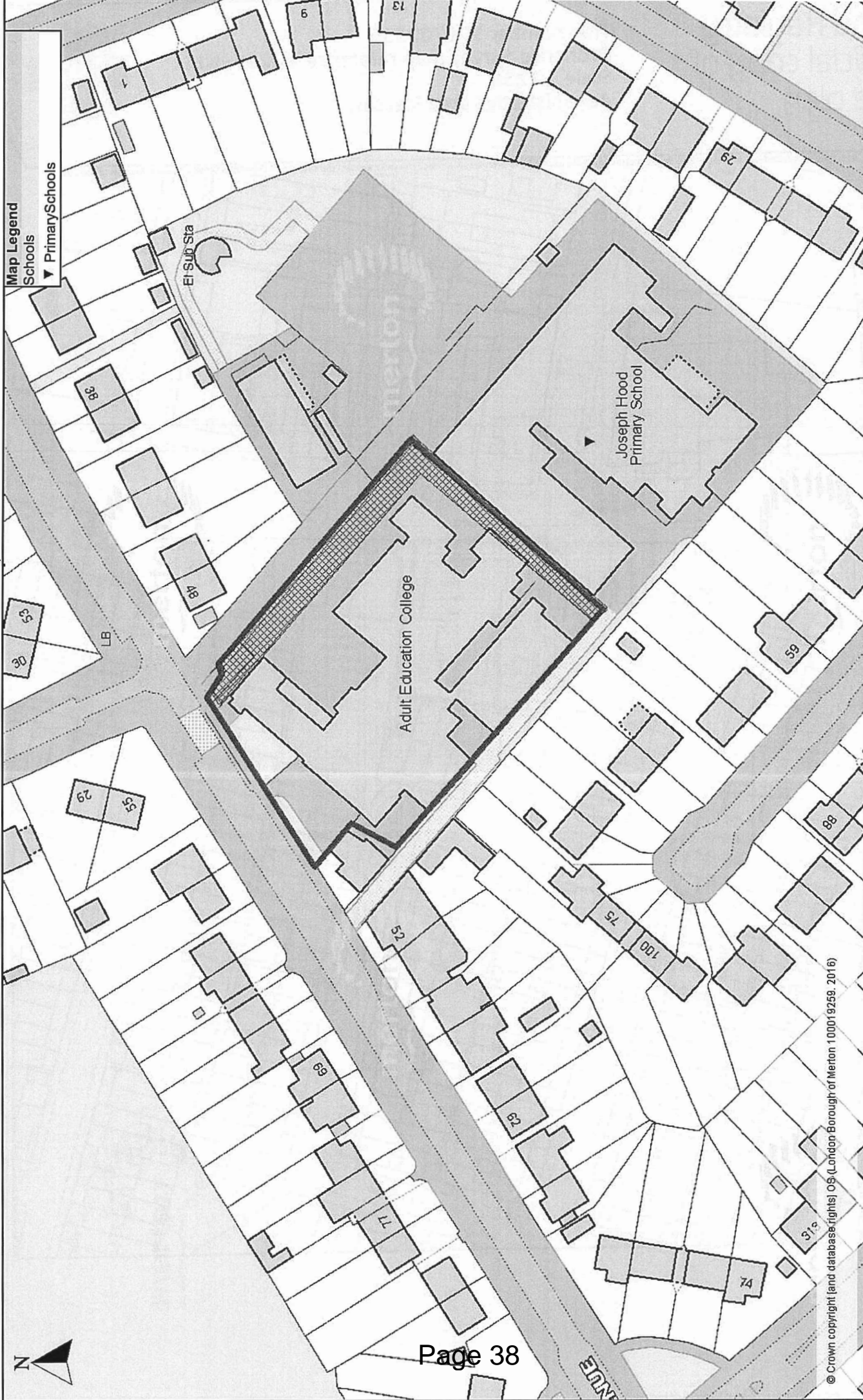
Title number SGL702536
Ordnance Survey map reference TQ2569NE
Scale 1:1250
Administrative area Merton



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Map Legend
Schools
▼ Primary Schools



**Harris Wimbledon Site - edged in red. Hatched brown
- rights of access for Joseph Hood Primary School**

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Committee: Cabinet

Date: 4 July 2016

Wards:	Borough wide implications
Subject:	Reference from the Children and Young People Overview and Scrutiny Panel – Pre decision scrutiny of Harris Wimbledon Secondary School site approval
Lead officer:	Annette Wiles, Scrutiny Officer, 0208 545 4035
Lead member:	Councillor Dennis Pearce, Chair of the Children and Young People Overview and Scrutiny Panel
Reason for urgency:	The Chair has approved the urgent submission of this item in order that Cabinet may have regard to the outcome of scrutiny when considering the substantive item found elsewhere on this agenda.
Reason for exemption:	This report is exempt from publication virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Recommendation:

That Cabinet takes account of comments made by the Children and Young People Overview and Scrutiny Panel when taking decisions on Harris Wimbledon Secondary School site approval (set out in paragraph 2.2 below);

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. To inform Cabinet of the recommendations and comments resulting from pre decision scrutiny of the Harris Wimbledon Secondary School site approval recommendations at a Panel meeting on 29 June 2016.

2 DETAILS

- 2.1. Members received the Cabinet report with all accompanying appendices. The Director for Children, Schools and Families and the Deputy Leader and Cabinet Member for Finance presented the report and answered questions.
- 2.2. With the agreement of the chair, the Head of Ursuline High School, representing Merton Secondary Heads, also provided a short presentation. This supported the new school but only on the basis of it opening in September 2018 rather than September 2017; opening in 2017 would be before the forecast significant rise in pupil numbers so would lead to spare places in existing LB Merton secondary schools with significant financial consequences.
- 2.3. Members acknowledged the considerable work and effort of officers that has gone into developing the site proposal. Comments on the recommendations in the Cabinet report were agreed as set out below:

Discussions should continue with the Education Funding Agency (EFA) regarding the opening date of the new school with a view to supporting existing secondary schools for Harris Wimbledon School to open in September 2018 rather than 2017. (Members noted the information tabled at the meeting by officers on the supply and demand for secondary school places in Merton which is attached to this report);

The design of the Harris Wimbledon School should be developed with the EFA to seek to provide its pupils with the same advantage enjoyed by children at other secondary schools in Merton;

Merton Abbey Primary School should be supported through the negotiation process to ensure it achieves maximum benefit from the shared use agreement;

To ensure the borough's financial interests are protected in the sale of the Merton Hall site; the borough should ensure a share of the financial benefit of any follow on sale in the event of the Elim Church ever selling the property for higher value uses such as commercial or housing;

The borough should actively seek to sustain the level of available space for community rental; and

During the design and development of the school, traffic around the site should be carefully reviewed and steps taken to appropriately accommodate the development of the new school and to ensure the safety of pupils entering and exiting the school premises.

Recommendations are endorsed.

3

ALTERNATIVE OPTIONS

3.1.

Cabinet is required under the terms of the constitution to receive, consider and respond to recommendations from Overview and Scrutiny.

4

CONSULTATION UNDERTAKEN OR PROPOSED.

4.1.

None for the purposes of this report.

5

TIMETABLE

5.1.

None for the purposes of this report.

6

FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

6.1.

None for the purposes of this report.

7

LEGAL AND STATUTORY IMPLICATIONS

7.1.

None for the purposes of this report.

8

HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

8.1.

None for the purposes of this report.

9

CRIME AND DISORDER IMPLICATIONS

9.1.

None for the purposes of this report.

10

RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

10.1. None for the purposes of this report.

11 APPENDICES

11.1. Appendix 1: Paper tabled at the Panel meeting; supply and demand for secondary school places.

12 BACKGROUND PAPERS

12.1. None

Supply and demand for secondary school places

Introduction

The main Cabinet report presented to CYP overview and scrutiny panel concentrates on site approvals for Harris Wimbledon school rather than whether there is a 'basic need' for a school, but references previous Cabinet report from 11 November 2013 to January 2016 where the need was evidenced.

A new secondary school in the area has the potential to change admissions patterns of existing schools, and it is natural that these schools feel an element of threat when a new school is proposed. In this context, Merton Secondary Heads' meeting has raised concern regarding whether there is a need to provide a new school, especially when three of LB Merton's 8 secondary schools have not been able to fill all their places for this September 2016, collectively meaning there are presently 128 vacancies. With an allowance for some further late applications and placements it is expected there will be around 110 spare places (6.5%) in the official roll count.

Review of demand –Cabinet paper on Secondary School expansion 18 January 2016

Due to the wide variety of choice for secondary education, the key challenge in forecasting secondary school numbers is the retention rate between year 6 and year 7 (the first year of secondary school). The Cabinet paper on 18 January 2016 reviewed the supply of demand of school places on the basis of 2015/16 academic year rolls, and preference information for 2016/17 year 7 entry. This identified that:

- Our analysis from the number of resident admissions applications for September 2016 shows that the expected additional number of pupils up to September 2016 requiring a secondary school place is as forecast - there have been over 200 additional on-time admissions applications from Merton residents from 2014 to 2016 (139 extra in 2015 and a further 66 in 2016).
- However, to date this extra demand has not fully translated itself into numbers on roll in LB Merton state funded secondary schools in September 2015, or projected through the admissions preferences for LB Merton secondary schools for September 2016 which have recently been received

It concluded that the demand for secondary school places may not be as high as previously forecast due LB Sutton 'front loading' its expansions, and that while the council should proceed with plan for the new school (6 forms of entry) and the expansion of Harris Academy Merton (2 forms of entry), officers should continue to monitor the position before committing to the expansion of Harris Academy Morden and St. Mark's Academy.

Latest position

LB Merton projects secondary places through a local model based on historic retention panels from previous school year groups, and from a more sophisticated model by the GLA. The latest GLA model forecasts a slightly lower demand than the LB Merton model for places up to 2018/19, but a higher demand from 2020/21. The tables below are based on the Merton model as it is more flexible to adjust:

TABLE 1 - SHOWS ACTUAL AND FORECAST RISE IN YEAR 6 NUMBERS, ACTUAL YEAR 7 NUMBERS AND FORECAST BASED ON CIRCA 79% RETENTION RATE

	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Year 6 roll actual/forecast											
Merton model	1837	1817	1848	2024	2081	2133	2378	2369	2332	2380	2392
Year 7 roll actual/forecast											
Merton model	1457	1454	1465	1492	1578	1651	1687	1879	1873	1844	1882
Transfer percentage	84.5%	79.2%	80.6%	80.7%	78.0%	79.3%	79.1%	79.0%	79.1%	79.1%	79.1%

Note - should read diagonally to see the transfer i.e. 2014/15 year 6 is 2015/16 year 7. Forecasts in italics, others actual roll. 5% is circa 100 pupils, so 100 pupils 'lost' in 5 years

TABLE 2 - SHOWS ACTUAL AND FORECAST SURPLUS YEAR 7 PLACES AGAINST ADMISSION NUMBERS WITH EXPANSION PLANS

	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Total planned admission number*	1669	1669	1669	1669	1669	1699	1729	1909	1909	1909	1909
Surplus places	212	215	204	177	91	48	42	30	36	65	27
Surplus percentage	12.7%	12.9%	12.2%	10.6%	5.5%	2.8%	2.4%	1.6%	1.9%	3.4%	1.4%

*Based on current PAN then expansion of Harris Merton (30 extra in 2016/17 and 60 from 2017/18), and Harris Wimbledon opening 2018/19

If Harris Wimbledon opens in September 2017 with 120 places, surplus forecast in 2017/18 would be 162 (8.8%)

Traditional recommendation from Audit Commission is 5-10% surplus places for ideal balance between efficiency and parental preference

These tables show how the year 6 roll has risen by 264 over the past 3 years, but only about half of this has translated into additional year 7 places. Over the 2 years to 2017/18 (which will be year 7 in 2018/19) there is forecast to be a further 297 year 6 children requiring secondary school places.

On the basis of a consistent retention rate of 79% the plans for Harris Wimbledon and Harris Merton forecasts that the council will be providing sufficient places, but with a surplus of only circa 2%; this is lower than the traditional recommendation from the Audit Commission to balance parental choice and efficiency.

If the new school opens in September 2017 as preferred by the EFA then the forecast is for 8.8% surplus places in 2017/18; this may impact on the roll and budget of existing schools.

The very latest admissions information shows that the retention rate for 2016/17 will be only 76%, and if this continues the surplus in 2018/19 and beyond would be closer to 5%. However, even this will be lower than the current year and significantly lower than in recent years for LB Merton secondary schools.

Conclusion

The latest admissions information confirms that the retention rate from year 6 to year 7 will be lower in 2016/17, but this may well be temporary as LB Sutton has 'front loaded' its school expansions of popular schools. In the 5 years from 2012/13 to 2017/18, the rise in year 6 places will be 561 pupils, yet Harris Wimbledon and Harris Merton will only collectively provide an additional 240 places.

Any new school provides some risk to existing schools but a new school is needed to meet basic need. Indeed, the greater long-term risk is that the council will not be providing sufficient places. This is alleviated by its contingency plan of being able to expand existing schools at short notice, particularly St. Mark's Academy and Harris Morden. Opening the new school in 2017/18 is likely to lead to more surplus places than preferred for one year only.

4 JULY 2017 CABINET EXEMPT MINUTE

The Leader of the Council announced that he would be taking item 7 Reference from Scrutiny, on Harris Wimbledon Secondary School - Required Site Approvals as part of this item's discussion.

The Cabinet Members for Finance and Education presented the report which details a proposed site for a new secondary school in Wimbledon – Harris Wimbledon. The Cabinet were guided through the exempt comprehensive report that provided details of the proposed site, legal and financial aspects and other practical implications aligned to the proposal including the role of the Education Funding Agency (EFA) in setting the opening date of the new school. It also noted that the report included information over the possibility of using the Whatley Avenue Adult Education centre as a temporary school, for pupils in year 7 and 8, for a period of 2 years whilst Wimbledon Harris was being built.

Councillor Dennis Pearce, Chair of Children and Young People Overview and Scrutiny Panel presented to the Cabinet the Panel's reference, highlighting their views as contained in paragraph 2.3 of the reference, including that the need for further discussion with the EFA and with the landholders on the project.

RESOLVED

That Cabinet:

- 1). authorises the Director of Environment and Regeneration to complete the freehold purchase of the following land for the provision of a new secondary school and to lease the land to the Harris Federation for the Harris Wimbledon School on a 125 year lease at a peppercorn rent:
 - (i) The land edged red on plan A from Domex to a maximum price of [REDACTED] excluding stamp duty and fees
 - (ii) The land edged blue on plan A from Elim and to transfer in exchange the freehold of Merton Hall (the land edged red on Plan B) to Elim and to adapt and re-build the majority of the building for use by Elim to a maximum cost of [REDACTED] excluding stamp duty and fees
- 2). agrees that the High Path Day Centre land (edged green on plan A) should be leased to the Harris Federation for the Harris Wimbledon School on a 125 year lease at a peppercorn rent, with the day centre service moved to an adapted and extended 21 Leyton Road SW19 1DJ, and that Children Schools and Families services in this building will be located to other LB Merton accommodation
- 3). authorises the Director of Children Schools and Families to enter into an agreement with the Harris Federation to enable the Harris Wimbledon School to use part of the grassed area of the Merton Abbey Primary School playing field at times to be agreed and to note that for this agreement to be implemented the playing field will need to be converted to a synthetic turf pitch to provide for the more intensive use required – these costs will be met by the Education Funding Agency

- 4). agrees that the Adult Education site in Whatley Avenue (land edged red on plan C) should be leased to Harris Federation on a short term lease at a peppercorn rent to provide school places for up to two academic years prior to the school on the High Path site being completed, either 2017/18 and 2018/19 or 2018/19 and 2019/20 depending on the agreed school opening date
- 5). notes that in view of the displacement of South Wimbledon Community Centre from Merton Hall, officers are seeking to provide replacement accommodation on similar rental terms with an interim offer made for the currently vacant Pincott Road SW19
- 6). notes that £16.55 million is included in the capital programme in the financial years 2016/17 to 2018/19 for the purposes of a new secondary school but the agreement with the EFA (Education Funding Agency) to pay for the construction cost and contribute to the council's land purchase ensures that the council's contribution to enable the new school and associated works after receipts from the EFA should be in the region of [REDACTED] (maximum of [REDACTED] prior to EFA contributions)
- 7). notes that item will go for pre-decision scrutiny to the Children and Young People Overview and Scrutiny Panel on 29 June 2016, with an invitation to members of Sustainable Communities Overview and Scrutiny Panel.