

# London Councils

## Impact of the election on 14-19 education and training policy

Item No: 2

**Authors:** Jonathan Rallings      **Job title:** Principal Policy and Project Officer  
**Date:** 2 August 2010  
**Contact:** Jonathan Rallings  
**Telephone:** 020 7934 9524      **Email:** jonathan.rallings@londoncouncils.gov.uk

---

**Summary** This paper provides an overview of some of the key education policy developments announced by the new coalition government.  
**Recommendations** RPG members are asked to note the information in this paper.

---

### 1 INTRODUCTION

- 1.1 The new coalition government has announced significant changes to education policy which will have a strong impact on arrangements 14-19 education and training. This paper outlines some of the major changes which have been announced and the potential implications.

### 2 14-19 COMMISSIONING AND FUNDING

#### Background

- 2.1 Since 2007 London boroughs have been working towards assuming the responsibility for commissioning 16-19 education and training from the Learning and Skills Council (LSC) on 1 April 2010. London Councils has led and overseen the development of a pan-London commissioning model to reflect the specific characteristics of the capital. This included the establishment of a Regional Planning Group (RPG) bringing together key stakeholders including members, officers, providers, employers, the GLA and others. The RPG consolidates 32 local commissioning plans into a coherent pan-London offer for young people, as well as providing strategic leadership to help direct the growth of provision across the city.

#### Key Policy Changes

- 2.2 On Tuesday 20 July the government announced three key changes to 16-19 funding and commissioning arrangements:
- The Young People's Learning Agency (YPLA) which formerly channelled funding from government through local authorities will now make payments

directly to Further Education Colleges, Sixth Form Colleges and private providers. Local authorities will continue to pay School Sixth Forms.

- From September 2010 the funding process for the 2011/12 will be simplified to reflect 'lagged learner numbers' i.e. providers will be allocated funding based on learner numbers in the previous academic year.
- There is no longer a requirement for local authorities to form sub-regional or regional planning groups – arrangements will be at the discretion of local authorities. However there remains a duty for councils to co-operate with each other in relation to commissioning 16-19 education and training.

## **Progress**

- 2.3 The changes are to take effect immediately for the forthcoming commissioning round for 2011/12. The Department has established a Ministerial Advisory Group to look at local authority's strategic role across the piece as well as considering whether there are any regulatory burdens that can be removed. London Councils is working with colleagues in DfE, LGA, ADCS and the YPLA to ensure the interests of London are fully represented at the Ministerial Advisory Group and any associated task groups.

## **Implications**

- 2.4.1 Unclear local authority role - Information issued so far by central government has stressed that local authorities are to retain their strategic commissioning role for 16-19 education and training as described in the Apprenticeship, Children, Skills and Learning Bill (2009). However, there is presently little detail available about how this role will now work in practice – leaving scope for boroughs to help shape this debate.
- 2.4.2 Increased provider autonomy – In *The Coalition: Our Programme For Government*, the new Government stated “We will set colleges free from direct state control... Public funding should be fair and follow the choices of the student.” The new changes to funding reflect this, putting schools and colleges under less inspection and giving them more powers over, for example, setting curriculum. This is a part of a wider shift towards professional autonomy which is also reflected in changes to pre-16 schooling and other services discussed further in this paper.
- 2.4.3 Strategic commissioning – Local authorities have a statutory obligation to secure enough suitable education and training for 16-19 year-olds in their area.<sup>1</sup> If boroughs are not given sufficient leverage to effectively shape the provision it is not clear how they will fulfil this duty.
- 2.4.4 London is different - London has different needs to other parts of the country both in the complex travel-to-learn patterns of its learners across borough boundaries, and also in the skills needs of its employers. It is vital that London is represented in discussions with Government in order to highlight these differences, and where necessary argue for the most effective arrangements for London's young people.
- 2.4.5 Development of a 'market' - The simplified funding system is based on a more market-based approach to 16-19 education and training. Providers will have the freedom to decide on their curriculum offer and mix of provision to

---

<sup>1</sup> This duty also covers young people subject to learning difficulty assessment up to age 25.

respond to the needs of individuals and employers. Again, if local authorities are to fulfil their statutory duties they will need strategic leverage to be able to develop the market.

- 2.4.6 Disadvantaged young people - Unregulated 'marketisation' may lead to the needs of the most disadvantaged young people being overlooked in the development of provision. Although London has high rates of participation post-16, there are still approximately 10,000 NEET young peoples across the capital. It is crucial that local authorities are able to support providers to meet the needs of these young people.
- 2.4.7 Needs of London's employers - Individual colleges or schools are not in a position to be able to tailor their provision to reflect the diverse needs of London's employers without a wider regional perspective on the capital's future skills needs. This will also be a concern of the London Skills and Employment Board (LSEB) and provides common ground on which to work with the Mayor.
- 2.4.8 Staffing issues – Former LSC staff were transferred to local authorities in April under TUPE-like conditions. Government gave a commitment to fund these transferred posts for a period of three years through a Special Purpose Grant, which is incorporated in the Area Based Grant (ABG). Whilst the funding for posts has been made available for the current financial year, the ABG has been subjected to budget cuts mid-year and is likely to be further reduced following the Comprehensive Spending Review. Furthermore, if local authority functions are transferred to the YPLA it is highly likely that local authorities would argue that TUPE should apply.
- 2.4.9 Future of RPG – Although there will no longer be a *requirement* to form regional planning groups London Boroughs will still need to co-operate in some sort of regional forum to adequately fulfil their commissioning duties. London's RPG has always been a more substantial body than in any other region to reflect the specific characteristics of the city (as outlined earlier) and funding for posts is provided directly by Government at present. The RPG will continue to press for the need for regional co-ordination in London, reflecting its commitment to a single regional framework to secure learner choice and business needs. Naturally, the scope of RPG will be reviewed in light of the realigned system – taking into account the views of local authorities and other key stakeholders such as the YPLA, the LSEB, and providers.

### **3 ACADEMIES EXPANSION**

#### **Background**

- 3.1 The academies programme was originally launched by the Labour government in 2000 to tackle standards in failing schools – many in disadvantaged and inner-city areas. Academies received sponsorship from the private or community sector invested in the construction of the school. The first academies opened in 2002 and there are now over 200 across the country, with over a quarter in London.
- 3.2 Academies presently benefit from significant autonomy from government. Unlike local authority maintained schools, they receive funding direct from government and do not incur c10% of their budgets retained by local authorities to fund the delivery of local services such as transport for children

with Special Education Needs (SEN) or administration of payroll. Academies may still opt to purchase such services from the local authority, but have the freedom to use the money to obtain the same services by other means.

- 3.3 Other freedoms academies enjoy include acting as their own school admissions authority (although they must still abide by the School Admissions Code); exemption from local authority place-planning/14-19 commissioning – instead they are commissioned directly by central government; exemption from the Freedom of Information Act; greater freedom to set the pay and conditions of their workforce; exemption from the SEN obligations imposed on maintained schools through the Education Act 1996.

### **Key Policy Changes**

- 3.4 The Academies Act is intended to vastly expand and realign the academies programme through a number of new changes:
- Academy status was previously only available to Secondary schools, but the new bill will allow Primary and Special schools to participate too.
  - All schools presently judged 'outstanding' by Ofsted have been invited to assume academy status as soon as September 2010, with other schools following in the coming years.
  - Schools opting to take academy status will receive £25,000 from central government to fund the costs of conversion.
  - The Secretary of State will now be able to grant academy status to 'outstanding' schools and failing schools without the need to consult the local authority.
  - Sponsorship will no longer be a pre-requisite for schools seeking academy status.
  - The Act allows for teachers, parents and other interested groups to establish and run a primary, secondary or special academy. This provides the legislative foundation for the 'free schools' programme (discussed in a separate section)
  - In a parliamentary debate (21 June 2010) Michael Gove confirmed *"every new school acquiring academy freedoms will be expected to support at least one faltering or coasting school to improve."*

### **Progress**

- 3.5 The Academies Act has become one of the fastest pieces of education legislation ever to pass through into law, receiving royal assent on 27 July 2010 just two months after it was announced as part of the Queen's Speech.
- 3.6 On Thursday 29 July, the BBC reported 153 schools currently rated 'outstanding' had applied for Academy status - 26 of them (17%) are in London, and five of these are primary schools. This is substantially below the number which had been anticipated – earlier reports indicated over 1500 schools had expressed an interest in converting. The applications will now be considered by the DfE over the summer. It is thought some schools will need to secure further support from the governing body and parents.
- 3.7 It is still unclear how the role of local authorities will evolve in regard to academies, but it is likely to be dependent on how many schools adopt academy status from September and beyond. In May Michael Gove wrote to

local authority Leaders and Directors of Children's Services committing the new administration to working with local authorities to ensure they "*continue to play a full strategic part in securing the improvement [in schools] we all want to see*". The Association of Directors of Children's Services (ADCS) sees a specific role for local authorities in respect of admissions, exclusions and Special Educational Needs (SEN). The LGA has cautiously welcomed the Academies Act as expanding choice for parents and pupils, whilst stressing the invaluable local knowledge and experience in education management of local authorities should not be lost.

## **Implications**

- 3.8.1 Shift to 'Gold Standard' – The new Act repositions the emphasis of the academies programme from 'intervention' to 'excellence'. By encouraging 'outstanding' schools to lead the way in converting, academy status is expected to become the new government's 'gold standard' for schools rather than a specific programme to improve the standards in failing schools.
- 3.8.2 'Opt out' effect on services – Where academies opt out of the local authority services, this may increase the cost of providing these services due to a reduction in economies of scale. This could have significant implications in relation to local authorities (and maintained schools) discharging their duties in relation to pupils with SEN.
- 3.8.3 Capacity to intervene – Michael Gove announced on the Today programme (18 June 2010) that if an academy were found to be failing it would be closed. The impact on the local community of an academy closing would be highly disruptive, particularly on those pupils displaced, as well as costly. If local authority education departments are considerably down-sized they may no longer have capacity to intervene where an academy is failing.
- 3.8.4 Places planning – If the academies programme were to expand significantly it is likely to affect the ability of London Boroughs to properly plan school places.
- 3.8.5 Admissions – Although new academies will be able to act as their own admissions authority, they will not be able to introduce new selective measures (although schools which already employ selection will be permitted to retain their criteria after adopting academy status). Crucially at this point academies will still need to engage in local co-ordination of places (via the local authority) and be bound by the School Admissions Code. There is likely to be more flexibility around in-year admissions though, and it may prove harder for a local authority to force an academy to take a newly arrived pupil mid-year – a particular issue in London Boroughs given the high levels of pupil mobility in the capital.
- 3.8.6 SEN – Following concerns being raised through the House of Lords regarding young people with SEN and academies a clause has been entered into the Act stating that new academies "*...must include provision imposing obligations on the proprietor of the school that are equivalent to the SEN obligations.*"

## 4 FREE SCHOOLS

### Background

- 4.1 In the run-up to the election the Conservative Party made the introduction of Swedish-style 'free schools'. Subsequently the Coalition Agreement stated the following:

*"We will promote the reform of schools in order to ensure that new providers can enter the state school system in response to parental demand; that all schools have greater freedom over the curriculum; and that all schools are held properly to account."*

*"We will give parents, teachers, charities and local communities the chance to set up new schools, as part of our plans to allow new providers to enter the state school system in response to parental demand."*

- 4.2 There is no clear defined model as yet of how a 'free school' might look – although Elmgreen school in Lambeth (opened 2007) is widely recognised as the first 'parent-run' school in the capital. It is anticipated that collectives of parents, teachers or similar community groups will oversee the development and governance of a new school, with the day-to-day management most likely contracted out to a private company.

### Progress

- 4.3 Explanatory notes accompanying the Academies Act state that it *"will enable the Secretary of State to enter into Academy arrangements with any person who wishes to establish and run a primary, secondary or special Academy."* Michael Gove has confirmed that the Act includes the necessary legislation to facilitate the development of free schools.

- 4.4 Subsequently on Friday 18 June, the Department for Education invited groups of teachers, parents and other interested parties to apply to run Free Schools through a new body, the New Schools Network (NSN). On Monday 2 August the Local Government Chronicle reported that *"a freedom of information request has revealed that fewer than one in 10 of the 700 groups that reportedly expressed interest to the New Schools Network have actually gone through with their application."* The Guardian reported on Tuesday 3 August that the 62 applications had been received by Government to date.<sup>2</sup>

### Implications

- 4.5.1 Shift from parents to teachers – Prior to the election it was indicated that 'free schools' would be about parents setting up and running schools, but recent announcements have suggested the emphasis has now shifted to promote primarily groups of interested teachers adopting the programme. This suggests that parental management could be more problematic than originally anticipated (due primarily to constraints on parental time and experience) and this position is supported by research conducted by London Councils.<sup>3</sup>

---

<sup>2</sup> [www.guardian.co.uk/education/2010/aug/03/premier-league-free-schools](http://www.guardian.co.uk/education/2010/aug/03/premier-league-free-schools)

<sup>3</sup> The report, *Community Engagement With London Schools*, is based on research by Ipsos MORI commissioned by London Councils. It is expected to be published by London Councils in autumn 2010.

- 4.5.2 Private companies – It seems likely that in the vast majority of cases free schools will actually be run by private companies *on behalf* of teachers or parents. It is not clear how these schools would differ from academies. However, it has been suggested this may lead to private companies soliciting local communities offering to help them set up a new school – the Evening Standard reported on Monday 2 August that this was happening in London.<sup>4</sup>
- 4.5.3 Local consultation – Under questioning in parliament (21 June 2010) Michael Gove stated that proposed free schools would have to undergo a ‘public interest’ test before being permitted and confirmed that local authority views will be given due consideration in this process. However he did not confirm whether he planned to introduce safeguards to prevent existing private schools reopening as free schools in order to obtain public money.

## 5 EDUCATION AND CHILDREN’S BILL

### Background

- 5.1 Beyond the Academies Bill, the government also announced in the Queen’s Speech that there will also be an Education and Children’s Bill. The No.10 website lists the main elements of the Bill as follows:
- *To provide schools with the freedoms to deliver an excellent education in the way they see fit.*
  - *To reform Ofsted and other accountability frameworks to ensure that head teachers are held properly accountable for the core educational goals of attainment and closing the gap between rich and poor.*
  - *To introduce a slimmer curriculum giving more space for teachers to decide how to teach.*
  - *To introduce a reading test for 6 year olds to make sure that young children are learning and to identify problems early.*
  - *To give teachers and head teachers the powers to improve behaviour and tackle bullying.*
  - *We expect standards across the education sector to rise through the creation of more Academies and giving more freedom to head teachers and teachers. We will also ensure that money follows pupils, and introduce a ‘pupil premium’ so that more money follows the poorest pupils.*

### Progress

- 5.2 On 26 July the government announced that it would be introducing a ‘Pupil Premium’ which will provide extra funding to schools which take disadvantaged children. A consultation has been launched on how best to operate the premium including what deprivation indicator to use and can be accessed at:  
[www.education.gov.uk/consultations/index.cfm?action=consultationDetails&consultationId=1723&external=no&menu=1](http://www.education.gov.uk/consultations/index.cfm?action=consultationDetails&consultationId=1723&external=no&menu=1)
- 5.3 No other expansive details about the measures contained in this bill have been issued as yet. It is expected that further information will be forthcoming in the autumn.

---

<sup>4</sup> [www.thisislondon.co.uk/standard/article-23862440-free-schools-firm-targets-london-parents.do](http://www.thisislondon.co.uk/standard/article-23862440-free-schools-firm-targets-london-parents.do)

- 5.4 However, with regard to curriculum the government has already: announced the closure of the Qualifications and Curriculum Development Agency; the withdrawal of the previous entitlement to a Diploma place that was to have come into effect from 2013; stated clearly that it intends to devolve responsibility to frontline professionals and enable institutions to decide on their curriculum offer and mix of provision; hinted informally in the press that it will be keen to strengthen the 'gold standard' status of A-levels and remove AS-level qualifications.

### **Implications**

- 5.5.1 Pupil Premium – It is likely that given London's high levels of child poverty and community deprivation, this will have a significant impact on the budgets of many schools in the capital. If funding was tied to Out of Work Tax Credits or other commercial classifications such as MOSAIC, it might increase the amount of money in London's schools. London Councils will be preparing a response to this consultation on behalf of London local government.
- 5.5.2 Participation Age - The indications are that other entitlements beyond the diploma are likely to be withdrawn including the obligation for young people to participate in education or training up to the age of 18 from 2015 (although this will require a change in legislation). It is likely that many local authorities, though, will continue to pursue full participation regardless of legislation, as it is a policy with many benefits for both young people and local communities. The government's response to the House of Commons Education Committee's report on Young people not in education, employment or training demonstrates a commitment from government to increase participation, but without compulsion.

## **6 PUBLIC BODIES REFORM BILL**

### **Background**

- 6.1 From well before the election the Conservative Party has promised to reduce the number of Public Bodies and Arms Length Bodies if it were to get into office. *The Coalition: Our Programme For Government* promised to "abolish many of the further education quangos" and the Public Bodies Reform Bill is set to make good on this pledge. A large number of education related organisations could potentially be restructured, downsized or abolished as part of this process.

### **Progress**

- 6.2 The government has already announced that it is abolishing the Qualifications and Curriculum Development Agency, the British Education Communications and Technology Agency (BECTA) and the General Teaching Council. The Skills Funding Agency, the Young People's Learning Agency (YPLA), and National Apprenticeship Service will be retained, but with significant restructuring over the coming months to reflect the policy changes with regard to Academies, 16-18 Education and Training, and Adult Learning. Further details of what this Bill will contain are expected in the autumn.



## **Implications**

- 6.3.1 Further changes? – Although the future of a number of education-facing public bodies has already been determined, this does not preclude further changes being announced in the autumn. This could include the scope of remaining bodies such as YPLA and Skills Funding Agency, as well as the fate of other bodies such as Partnership for Schools and the Training and Development Agency.

## **7 WIDER POLICY CHANGES**

- 7.1 This paper has covered the main policy changes which directly affect education. However, it should be remembered that changes of similar magnitude are also taking place elsewhere in the employment and skills sector which will impact on the 14-19 Education and Training agenda - most notably:

- A consultation has been launched on simplifying the funding system for adult skills which will also affect the budgets of FE Colleges and Work-based learning providers.
- A separate consultation has been launched on the future direction of skills policy.
- The Department of Work and Pensions has announced a large-scale reform of the welfare system which will impact on participation in 16-19 education and training and the wider skills agenda.

- 7.2 Appendix A contains a list of the key ministers who are working in the Department of Education (DfE), including John Hayes who was recently appointed with a joint portfolio for Further Education, Skills and Lifelong Learning sitting in both the DfE and the Department for Business, Innovation and Skills (BIS).

## **Recommendations**

- 7.3 RPG members are asked to note the information in this paper.

## **APPENDIX A**

### **Key Ministers**

#### *Department of Education*

Michael Gove (Con)	– Secretary of State for Education
Sarah Teather (LD)	– Minister of State for Children and Families
Nick Gibb (Con)	– Minister of State for Schools
Tim Loughton (Con)	– Parliamentary Undersecretary of State for Children and Families
Lord Jonathan Hill (Con)	– Parliamentary Undersecretary of State for Schools

#### *Department of Education & Department for Business, Innovation and Skills (joint)*

John Hayes (Con)	– Minister of State for Further Education, Skills and Lifelong Learning
------------------	---