



THE FUTURE OF LOCAL GOVERNMENT'S ROLE IN THE SCHOOL SYSTEM

Findings from an LGiU survey of children's services leaders
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Key findings

The LGiU conducted a survey of 80 local government children's services leaders (Directors and Lead Members for Children's Services) in August 2011 in partnership with NUT and Unison. It focused on the future of local government's role in the changing education system. The survey found that:

1. Two-fifths of respondents expect 80 per cent or more of secondary schools in their area will choose to convert to academy status within three years.

2. Nearly all respondents believe that performing a "strong, strategic role" in education will require councils to have the following additional powers:

- intervene in a poorly performing academy
- approve academy admission arrangements
- direct that a child is admitted to an academy
- name academies in School Attendance Orders which direct a parent to send a child not receiving a suitable education to a specific school

- charge an academy for pupils attending council-funded alternative provision.

3. Academies receive funding that councils currently use to pay for school support services. Respondents expect that meeting the resource challenge presented by academy conversions will require:

- maintained schools to pay more for traded services (74 per cent of respondents)
- councils to reduce the range of school support services available to maintained schools (64 per cent of respondents)
- councils to continue back office reform, commission charities and the private sector, and establish employee mutuals
- councils to compete to provide services in other areas (50 per cent of respondents).

4. Nearly all respondents were optimistic about the prospects of establishing positive relationships with academies. Ninety per cent of respondents believe academies will continue to purchase council-provided services.

Executive summary

Around 85 per cent of England's 25,000 schools are currently "maintained schools". This means that local councils are responsible for valuable strategic functions such as local accountability, funding, audit, resolving problems and ensuring all children get an appropriate school place and attend. They also provide a vast range of services to schools that include school improvement support, services for children with special educational needs (SEN), arts and cultural services, governor support, curriculum support, behaviour support, library services, buildings maintenance, school dinners and grass cutting.

LGiU research has, however, found that two-fifths of local politicians (Lead Members for

Children's Services) and officers (Directors of Children's Services) in charge of education believe that 80 per cent or more of secondary schools in their area will choose to convert to academy status within three years. Academies are schools that are funded and accountable to the Secretary of State for Education, not local councils.

The government intends that councils will still perform a "strong, strategic" role in education. LGiU research has, however, found that local politicians and officers in charge of education are not confident that councils will be able to perform this role under current arrangements, for two reasons.

First, respondents are concerned that councils will no longer be able to regulate competition between local schools and ensure fair access to school places. At present, councils can ensure that maintained schools do not disadvantage other maintained schools by engaging in unfair practices (for instance on admissions). This power to regulate competition between local schools will weaken as more maintained schools become academies.

Councils are not, for instance, able to direct that a child not on a school's admissions register is admitted to an academy or approve an academy's admission arrangements. No respondents mentioned that the School Admissions Code or the School Adjudicator were of help in ensuring fairness in admissions.

Respondents have called for additional powers over academies to ensure that councils can continue to play a strong, strategic role in education. 90 per cent said that they would need new powers to ensure fair admissions and require that a child is admitted to an academy in certain circumstances. Over 75 per cent of respondents called for powers to open an academy, close an academy, enlarge an academy and establish a community school without first considering an academy.

Second, Lead Members and Directors of Children's Services are concerned that councils will be unable to provide the same level of

school support services to remaining maintained schools. As described above, councils currently provide a wide range of support services to maintained schools. These services are funded through a small "top slice" from the Department for Education (DfE) Designated Schools Grant and agreed with local schools or through Council Tax and Department for Communities and Local Government (DCLG) grant.

Academies, however, receive this money directly from the DfE which deducts money from the local authority allocation. This, coupled with intense financial pressure on many local council budgets as a result of current public spending reductions, could have a significant impact on the ability of councils to fund school support services. One respondent commented: "Financial critical mass is critical to the ability to operate the necessary professional and expertise base."

Respondents reported a number of plans to meet the resource challenge presented by academy conversions, some of which may adversely impact maintained schools. Councils plan to: innovate in service delivery; increase the cost of traded services; reduce the range of school support services available to maintained schools; sell traded services to schools that convert to academy status; help schools help themselves; and, to a lesser extent, compete to provide services in other authority areas.

Section 1: Background

The Academies Programme is based on the City Technology Colleges (CTCs) programme established under the Education Reform Act 1988. These colleges were funded directly by the Secretary of State and operated largely outside of the local authority. They were designed to encourage innovation through autonomy, supported by private sector sponsorship and involvement.

Academies were launched by the then Education Secretary, David Blunkett, in March 2000. The programme was designed as a "radical approach" to "breaking the cycle of underperformance and low expectations"

in inner city schools. The Learning and Skills Act 2000 made provision for the creation of city academies (subsequently renamed "academies" under the Education Act 2002). The academy programme was also extended to all areas, and all age schools, in 2002.

The original criteria for consideration for entry to the programme required schools to achieve fewer than 25 per cent A*-C GCSE grades over three consecutive years. Academies have subsequently been developed on the premise that children with least parental support and least family history of educational

success need the most radical educational intervention if they are to get the start in life that they deserve. By mid-2010, there were 203 academies. The Labour administration did not believe that all schools should become academies nor that academy status should be the preferred development for all secondary schools.

In contrast, the Conservative Election Manifesto stated: “We want every child to benefit from our reforms. So all existing schools will have the chance to achieve academy status.” Following the formation of the coalition

government, the Academies Bill was in the first batch of Bills introduced into Parliament. This allowed all schools, including primary and special schools, to apply for academy status.

The DfE reported by press notice on 5 September 2011 that there was an increase of 1,097 academies in the previous 12 months of which 981 had used the conversion route in the Academies Act 2010. A further 575 schools were in the academies pipeline. There were 29 local authorities out of the 151 with responsibility for education where the majority of secondary schools were academies.

Section 2: Strategic role

Around 85 per cent of England’s 25,000 schools are currently “maintained schools”. This means that local councils are responsible for strategic functions such as local accountability, funding, audit, resolving problems and ensuring all children get an appropriate school place and attend.

LGiU research has, however, found that two-fifths of local politicians and officers in charge of education believe that 80 per cent or more of secondary schools in their area will choose to convert to academy status within three years. Academies are schools that are funded and accountable to

the Secretary of State for Education, not local councils.

The government intends that councils will still perform a “strong, strategic” role in education. Secretary of State Michael Gove has said that “in a more autonomous schools system, local authorities have a crucial role to play” in “championing parents and families, supporting vulnerable families and championing education excellence”.

LGiU research has, however, found that Lead Members and Directors of Children’s Services are not confident that councils will be able to

Approximately what proportion of primary schools in your authority do you estimate will have academy status by September 2013?

	None	One-fifth	Two-fifths	Three-fifths	Four-fifths	All
% of respondents	34	52	12	1	0	2

Approximately what proportion of secondary schools in your authority do you estimate will have academy status by September 2013?

	None	One-fifth	Two-fifths	Three-fifths	Four-fifths	All
% of respondents	3	24	20	13	26	14

perform this “strong, strategic” role under current arrangements.

At present, councils can ensure that maintained schools do not disadvantage other maintained schools by engaging in unfair practices (for instance on admissions).

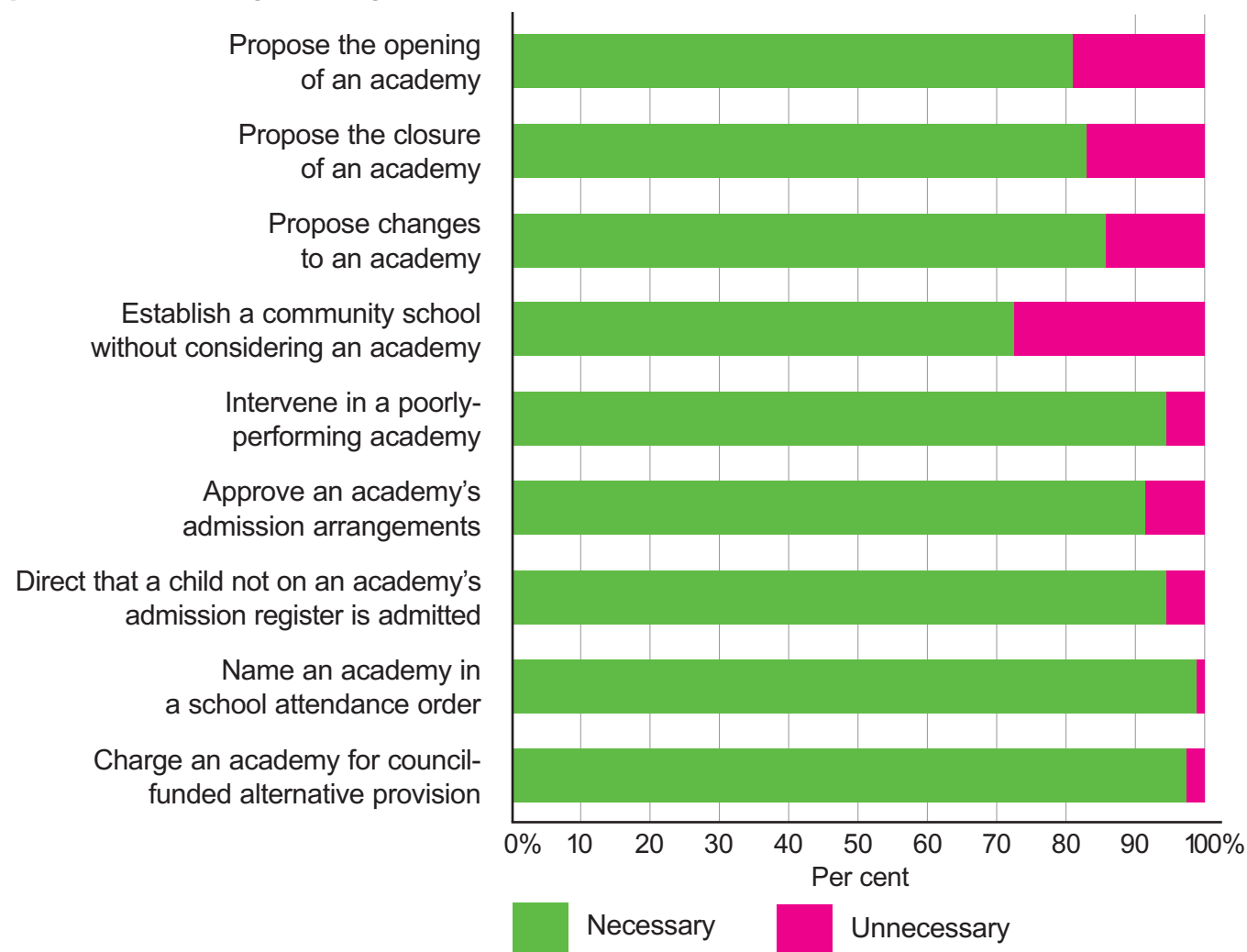
This power to regulate competition between local schools will weaken as more maintained schools become academies. Councils are not, for instance, able to direct that a child not on a school’s admissions register is admitted to an academy or approve an academy’s admission arrangements.

Lead Members and Directors for Children’s Services have called for additional powers over academies to ensure that councils are able to play a strong, strategic role in education.

Over 90 per cent of respondents to the LGiU survey said that they would need the power to assess the admission arrangements of academies for fairness and intervene where necessary, direct that a child is admitted to an academy and name an academy in a School Attendance Order. Over 75 per cent of respondents called for powers to open an academy, close an academy, enlarge an academy and establish a community school without first considering an academy.

One respondent commented: “In a champion of parents role, there is a need to plan suitable provision to meet identified need and not simply rely on the market.” Another said: “Authorities are the local voice on standards, equity, prudence and advocacy. We will continue to comment and give our opinions irrespective of a school’s status.”

How necessary do you think the following additional statutory powers (in addition to current duties and powers) are to your authority’s ability to perform a strong strategic role in education?



Section 3: School support services

Councils currently provide a range of support services to maintained schools. These include provision of school improvement support, services for children with SEN, arts and cultural services, governor support, curriculum support, behaviour support, library services, buildings maintenance, school dinners and grass cutting.

These services are funded through a small “top slice” from the DfE Designated Schools Grant and agreed with local schools or through Council Tax and DCLG grant. Academies, however, receive this money from the DfE by deducting money from the local authority allocation. This could have a significant impact on the ability of councils to fund school support services.

First, it could prevent councils from benefiting from economies of scale that result from buying services on behalf of a large number of schools. Second, schools that are “performing well” are more likely to convert to academy status. These schools have on average lower levels of SEN and free school meals (factors statistically shown to affect performance). As such, the cross-subsidy from schools with the lowest-level of need to schools with the highest-level of need may be removed.

Respondents reported a number of practical plans to meet the resource challenge presented by academy conversion, some of which may adversely impact on maintained schools. Councils plan to: innovate in service delivery; increase the cost of traded services; reduce the range of school support services available to maintained schools; help schools help themselves; sell traded services to schools that convert to academy status; and compete to provide services in other authority areas.

Innovating in service delivery

Respondents believe that continued back office reform and sharing services with other

authorities will be the most important way of reducing the cost of traded services. One respondent commented: “We have had a complete revamp of our traded support for schools, bringing all of it together in a single unit.” Another commented: “We have restructured Children’s Services directorate to integrate social care and education. School support services have been integrated into an education, learning and intervention branch that covers education from 0-25 years.”

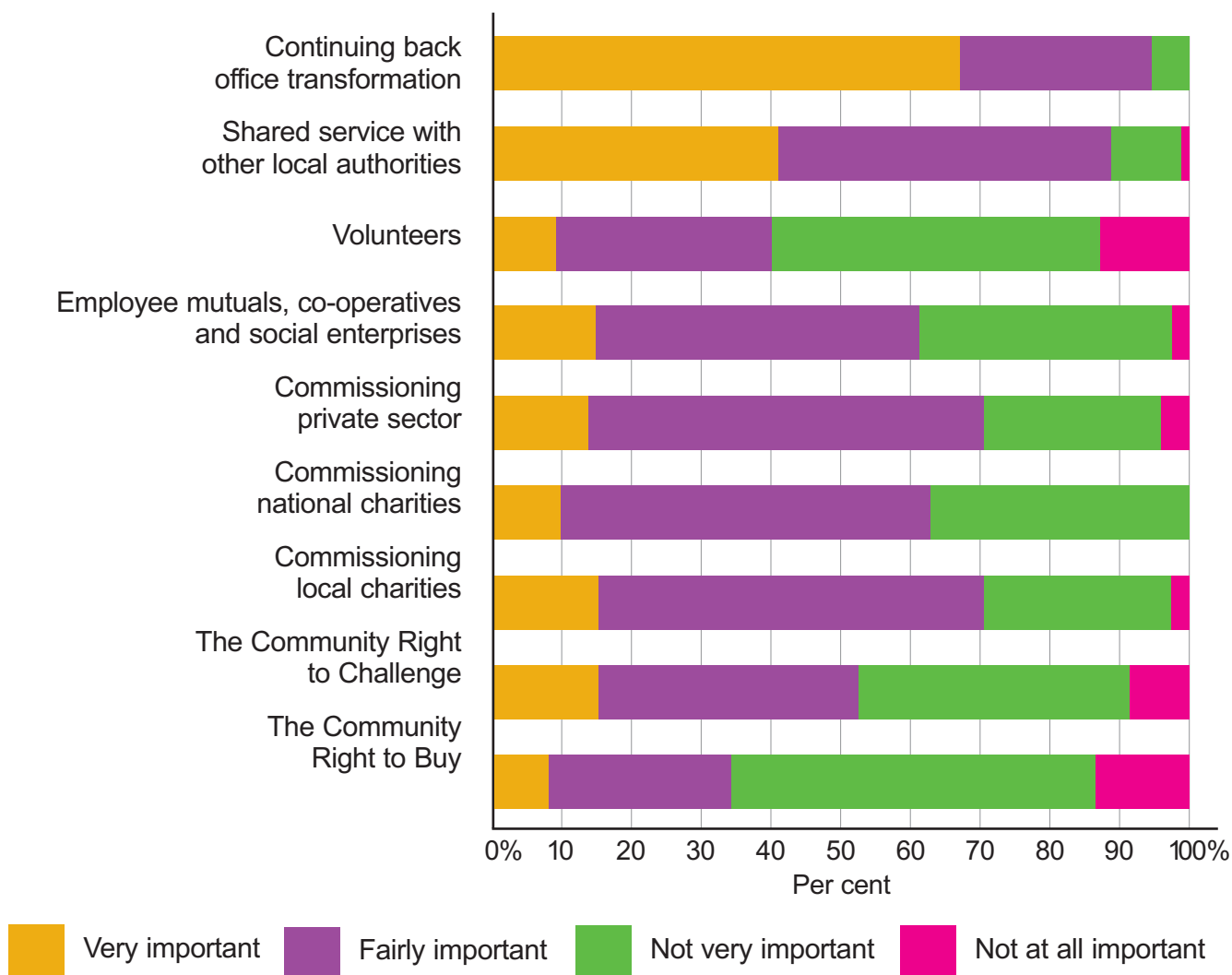
Several authorities reported that sharing services with other local authorities such as home education, governor support and admissions was planned.

One respondent said: “Support services are being shared with a neighbouring borough so that they are co-located and provide the range of services with a much reduced team.” Another commented: “We have jointly appointed a principal educational psychologist with a view to developing options for a shared service, which may include a mutual or social enterprise.” In London, more fundamental sharing of services was reported as part of three local authorities working much more closely together.

Commissioning charities, the private sector and employee mutuals had the second most important role. Many respondents reported joining up with other authorities to establish joint ventures that will commission services from the private and voluntary sector.

One respondent commented: “We have decided with another authority to procure a private sector partner to make available to our schools a wide menu of school support services.” Another commented: “As a rural authority, local voluntary groups will be important.” Less confidence was expressed about the contribution of volunteers and the Community Right to Buy and Challenge.

How important do you believe the following will be to your reform of school support services over the next three years?



Reducing the range of school support services available to maintained schools

Two-thirds (65 per cent) of respondents believe that the range of school support services available to maintained schools will decrease. Respondents to the survey identified curriculum support, data support, school crossing patrols, education welfare, school improvement support for good and outstanding schools and healthy schools.

One response sums up the general shift towards the provision of statutory services: “(My authority) has redesigned and refocused school support services on statutory functions

only, for example in education welfare, the functions of enforcement of school attendance, children missing education, child licenses etc.” Another commented: “We have already reduced our support service by 60 per cent due to budget cuts. Our emphasis has been on safeguarding and other statutory services”. However, another commented: “We have reduced our core offer but the option to buy additional services is being taken up.”

Increasing the cost of traded services

A range of services are currently offered to schools on a “paid for” or traded basis. Nearly three-quarters (74 per cent) of respondents believe that the cost of traded services to

maintained schools will increase over the next three years as a result of academy conversions. One respondent commented: "There will be a loss of economies of scale as a consequence of schools becoming academies so the remaining maintained schools will have to pay more". However, another commented: "It should be possible to plan in a business-like manner to avoid this."

Helping schools help themselves

Many councils reported that their authority was focused on "helping schools help themselves". Two main approaches were reported. First, fostering school-to-school support. Several authorities reported that schools and authorities were working together to form trusts that will fund and provide school support. One respondent commented: "The authority is investing to create a trust so that we can still see what is happening in our local schools and when they need us." Second, devising frameworks and brokering relationships with the private sector to support school procurement.

Some authorities, more radically, reported that they were encouraging their schools to take on a leadership role in school support services. Several authorities reported that the management of provision for children with SEN was being passed to local special schools.

Selling traded services to schools that convert to academy status

Despite the challenges outlined above, respondents were optimistic about the prospects of establishing mutually beneficial

arrangements with academies. 90 per cent of respondents believe that schools that convert to academy status will continue to purchase traded services from local authorities over the next three years.

One respondent commented: "We are creating a brand of education with a range of suppliers and I want to examine the options of using our purchasing power to support schools of all types if they opt in." Another said: "We as a local authority must ensure we are selling something academy schools want to purchase." Finally, another respondent commented: "It is all about quality. No one should buy a service just because a local authority provides it."

However, some councils did introduce a note of caution. One respondent commented that sponsored academies were unlikely to purchase services from the authority. Others expressed concern that specialist services would become unviable.

Competing to provide services in other authority areas

Councils currently offer services to schools on a "paid for" or traded basis within their authority area. LGiU research shows that some authorities will look to compete to provide services to schools in other authority areas. Just over 50 per cent of respondents said that they would consider competing to provide education services to schools in other authority areas over the next three years. One respondent commented: "In addition to providing services in my authority, our services will trade directly to schools across our region with a share of profit coming back to the authority."



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The LGiU is an award winning think-tank and local authority membership organisation. Our mission is to strengthen local democracy to put citizens in control of their own lives, communities and local services. We work with local councils and other public services providers, along with a wider network of public, private and third sector organisations. The LGiU convenes the Children's Services Network (CSN), which provides policy briefings, reports and events for children's services professionals.

September 2011