

9 January 2014

Item 2

Education Update

Purpose of report

For discussion and comment.

Summary

This report sets out recent developments touching on the council role in education, including a meeting with Schools Minister David Laws MP; the proposed appointment of Regional Schools Commissioners; an LGA submission to the Commons Education Committee Inquiry into the academies programme; case studies on the council role in school place-planning; announcements about additional schools capital in the Local Government Finance Settlement; and post-16 education, training and employment provision.

Recommendation

This report is for discussion and comment.

Action

Officers to take action arising out of the discussion, as directed by members.

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Meeting with David Laws MP, Schools Minister on 11 December

1. Cllr Forbes met with the Schools Minister David Laws MP on 11 December as part of the regular programme of meetings between the Minister, LGA, ADCS and SOLACE to discuss the council role in education. The issues discussed were school place planning; the new National Fair Funding Formula and changes to the Education Services Grant; and Regional Schools Commissioners. Cllr Forbes will give a verbal update of the discussion at the meeting and the issues are summarised in this report.

Regional Schools Commissioners

- 2. The LGA has long expressed concern that as the number of academies increases, it will become impossible for the Secretary of State for Education to monitor their performance effectively from the centre and to intervene in cases of underperformance. Councils have no powers to intervene in academies, although the new Ofsted school improvement inspection regime expects them to have a role in monitoring academy performance. In December the DfE placed advertisements in the TES for 8 'Regional Schools Commissioners', reported as earning up to £140,000. Their responsibilities, exercised on behalf of the Secretary of State, include:
 - 2.1 Monitoring performance and intervening to secure improvement in underperforming academies, including directing them to commission school improvement services and using formal interventions in the most severe cases.
 - 2.2 Taking decisions on the creation of new academies in their area by approving applications from maintained schools wishing to convert to academy status.
 - 2.3 Supporting the national schools commissioner to ensure that the sponsor market meets local need - including by authorising applications to become an academy sponsor, monitoring the performance of existing sponsors and de-authorising them where necessary, recommending suitable sponsors to ministers for maintained schools that have been selected to become academies and encouraging new sponsors.
- 3. The areas covered by the commissioners will not follow the standard planning regions and a list of the council areas covered by each proposed Commissioner is attached at Annex A. An issue of particular concern is that London will be split into three by the proposed new arrangements, with London Boroughs grouped with neighbouring councils in the South East and East of England.
- 4. Concerns were raised with David Laws MP on 11 December about the lack of engagement with local government on the creation of the Regional Commissioners. The Minister has agreed to circulate a paper to outline the purpose and intent of establishing the Regional Commissioners, and invited attendees to submit any specific questions or concerns that they would like addressed in this.
- 5. Members are invited to propose questions and concerns to be submitted to the Minister.



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Commons Education Committee inquiry into the academies programme

- 6. On 6 November the Commons Education Select Committee announced an inquiry into "certain aspects of the academies programme", with a deadline for written submissions of 19 December 2013. The terms of reference include:
 - 6.1 the functions and responsibilities in relation to academies and free schools of local authorities and other organisations operating between the Secretary of State and individual schools:
 - 6.2 what these functions and responsibilities should be; and
 - 6.3 what gaps there are in support for schools at this level.
- 7. A submission to the Inquiry, agreed by the CYP Board Office Holders is **attached at Annex B**. The submission is consistent with previous LGA policy but has strong lines on academy oversight, given the increasing number of academies (now 3,500), and the government's intention to appoint Regional commissioners, including:
 - 7.1 We would like to see the restoration of decision-making on the provision of new schools to local level, as it was prior to the Academies Act 2011. This should include the option of establishing community schools if that is the locally preferred option. Where academies are the preferred option, decisions about sponsors should be taken locally to meet the needs and wishes of local parents and communities.
 - 7.2 We would like councils to be given a greater role in judging and approving free school proposals to ensure that new free schools are established where they are needed and in a way that supports councils in their place planning duties.
 - 7.3 We believe that councils, as local champions of children and young people, their families and their communities, are best placed to provide the local oversight needed to continue to drive up standards and ensure that all children and young people have fair access to a good local school. We think that councils should have the same powers in relation to all local schools to intervene in cases of underperformance or designation in an Ofsted 'category of concern', including the power to select new academy sponsors.

Case studies about the council role in place planning

- 8. In June the LGA and SOLACE published a report: The council role in school improvement: Case studies of emerging models which highlighted variety of approaches being adopted by councils to support schools in a more autonomous school system. We are now planning to publish a collection of case studies focusing on how councils are responding to the enormous challenges of providing the 417,000 new school places that the EFA estimate will be needed across the lifetime of the current Parliament. A call for volunteers to be case studies through LGA, SOLACE and ADCS networks has produced an enthusiastic response from councils and 25 case studies are in various stages of being finalised.
- 9. The plan is to launch the report in February 2014 and the aim is to show how councils are rising to the considerable challenges of meeting the sharply rising demand for additional



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school places in many places and to highlight any areas where they are being constrained in fulfilling their statutory place planning duty.

- 10. Attached at Annex C are the first four fully signed-off case studies from Oxfordshire, Reading, Sandwell and Richmond They show that councils are responding well and are using innovative approaches, but all highlight areas where the job of councils is being made more difficult by central Government policy and practice. These themes are also reiterated by the other councils that are in the process of submitting case studies and were raised by Cllr Forbes with David Laws MP at the December meeting:
 - 10.1 The need for multi-year capital allocations to allow councils to forward plan and bring forward the most cost-effective solutions.
 - 10.2 The difficulties caused by the lack of council involvement in decision-making on where free schools new academies and UTCs are set up; what their capacity should be; and the type provision they offer.
 - 10.3 The lack of notice about approval of free school proposals and uncertainty about whether approved proposals will go ahead is also hampering planning and introducing additional costs into the process of providing new places.
 - 10.4 The need for academies and free schools to engage in local discussions about meeting basic need to support the council role in place planning. There is particular apprehension about how the system will work to provide the secondary places that will be needed, given that the majority of secondary schools are now academies.
 - 10.5 The feeling that most of the 'easy' solutions have been taken and providing new places is becoming increasing complex and costly.
 - 10.6 There are also increasing difficulties in getting S106 contributions from developers, exacerbated by the fact that developers can opt for free school and academy options that do not meet the wider needs of the local community.
 - 10.7 A strong message that the DfE capital allocations do not cover the full costs of providing places.
- 11. The Minister promised to look at the case studies in detail and said he looked forward to seeing the publication. He particularly asked for more detail about how councils can be more closely involved in the process for establishing free schools to meet basic need, and this will be covered in the forthcoming report.

Funding

12. In the Local Government Finance Settlement on 18 December the Government announced an additional £2.35 billion of basic needs funding for councils to plan and create new school places that will be needed by 2017. This is additional to the £5 billion allocated between 2011-15 and represents an additional two-year allocation, drawing on the £21bn of extra schools capital between 2015 and 2020 announced in this summer's Spending Review. The allocations of the £150 million of capital funding to support the provision of universal free school meals were also announced.



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- 13. The expected consultations on the National Funding Formula and the cuts to Education Services Grant in 2015-16 were not published and are now expected early in the New Year.
- 14. In our 'on the day briefing' the LGA welcomed the fact that the Government had listened to our calls on behalf of councils for a 3-year capital funding allocation to allow councils to plan properly to meet the sharply rising demand for primary school places and deliver the most cost-effective long term solutions. However, we expressed concern at the continuing delay to the announcements about the introduction of a new National Funding Formula for schools in April 2015 and the cuts to Education Services Grant in 2015/16, which is causing great uncertainty for councils and schools.

Post-16

- 15. Councils are now well into the first academic year supporting the Raising of the Participation Age to 17, which will rise to 18 from 2015, as part of their role to ensure young people secure a suitable place in education or training, to identify and track young peoples' participation status, and to help encourage and assist all to engage.
- 16. In December 2013 the LGA published a survey detailing council experiences of the EFA commissioning process and featured detailed case studies of council activity in five areas; almost 90 per cent of all respondents felt they did not have sufficient influence to fulfil their responsibilities. The LGA will use the report to inform discussions on how 16 19 education funding enables councils to help all young people and employers. In December Government announced its decision to make savings from the 16-19 budget by reducing the funding rate for 18 year olds by 17.5 per cent. This will not apply to vulnerable groups such as those with SEN.
- 17. The numbers of 16 -18 year olds not in education, employment or training has remained stable over the last year at 9.6 per cent, while the number of young people whose participation status is 'unknown' has fallen over the same period. The LGA has launched a 'How to' guide and planning tool to support local efforts to improve the identification and tracking of young people. Members also continue to push the case for greater local determination over the Youth Contract provision for reengaging 16 and 17 year olds, which pilots have shown is far more successful when devolved to councils. The Autumn Statement announced a role and funding for Jobcentre Plus in reengaging 16 and 17 year olds, the LGA will seek to ensure this effectively supports council efforts rather than duplicate them.
- 18. Jeremy Heywood's review of schemes for 16 24 year olds, announced by the Deputy Prime Minister in the summer, has not reported at the time of writing. Although some preliminary recommendations were announced as part of the Autumn Statement, such as reduced National Insurance contributions for employers taking under 21s. Alongside the review, the DPM has announced £50 million of Youth Contract underspend will be given to some places to tackle youth disengagement however it is like only 28 places involved in City Deal wave 1 and 2 will benefit from this funding.
- 19. Members will continue to lead local governments' call for a more coherent and locally responsive model for reengaging young people. Over the coming months officers will put together proposals to be discussed and agreed with Lead Members of the CYP and



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Economy and Transport board. To inform this activity, the LGA has commissioned some statistical analysis of the total participation status of young people, including unemployment and underemployment, and will work with councils to gather case studies to articulate the effectiveness of locally led approaches.

Financial Implications

20. There are no financial implications for the LGA arising from this report.