

Budget implications for education

'Education is not the filling of the pail but the lighting of a fire' John Hayes, new Minister for Further Education, told a conference on adult education last month. Appropriate in the circumstances, it also carries a wider significance – the coalition government has a quest to improve education which it claims will deviate from Labour's concern with micro-management; Gove himself is the firelighter and there is little reticence in the 'crusading vision'ⁱ which he has spoken about lying at the centre of the government's education policy. Gove offers a second gift: he promises the fire can be lit more cheaply than the pail filled.

The spectre of cuts in education has remained at arm's length amid the frenzy around the expansion of academies: Gove has managed to find a source of money – local authorities – for schools at a time of the greatest budgetary austerity. Yet the Department for Education will bear £670 million of the £6.2 billion cuts which George Osborne will wield on Tuesday and the Department for Business Innovation and Skills has imposed £200 million of cuts within Higher Education. Much *is* protected: frontline spending on schools, children's centres and 16-19 provision – though only for the year and £359 million of the former cuts are of presented as of the 'efficiency and cutting waste' ilk so mocked prior to the election. The other £311 represents a quarter of an 'area based grant' to schools, used by local authorities to provide services for children and families.

£65 million of savings are being effortlessly shaved from the communications and marketing budgets of various bodies. Easy too are savings made from Labour's interest in universal benefits – namely the extension of free school meal pilots to households higher up the income ladder and, in some areas, to all children; £85 million in pocket. Sharpening tools to target the most deprived is likely to feature more highly in the Comprehensive Spending Review this autumn, which may impact on the provision of Sure Start for more affluent children and Child Benefit. For the moment, however, the government will continue with the Labour position on nursery provision – the free 12.5 hours a week of care for three and four year olds is to increase to 15 hours and free places for 20,000 deprived two year olds to be found. They will look to save money by enticing a wider range of providers into the sector.

Transformations are to be realised at both primary and secondary level: Gove announced on Thursday that 1772 schools had made enquiries about academy freedoms.ⁱⁱ The commitment to greater independence for schools is undeniable, rapid (around 200 schools may transfer to academy status by September) and not necessarily locally responsive (the right of parents and local authorities to veto schools changing status has been removed and remains only with the Department for Education and governors). However, the commitment to realise the existing legislative scope for 'free schools' means the school system will become inclusive of schools borne of grassroots groups; these will likely be funded from existing the existing £8.5bn budget for new schools and £55bn Building Schools for the Future fund. More controversially, a memo emerged on Friday which recommended £35m be diverted from free school meals funding into free schools and the significant start up costs they will carry. Only the coalition's priority policy of a Pupil Premium – on which very few details have emerged – stands in the way of a wholesale redirection of policies directly targeting deprivation, such as free school meals; academies and Building Schools for the Future are being replaced by a free schools/academies policy with no in-built positive discrimination for the worst-off.

The money that academy status allows schools to claw back from the local authority may prove a transient gain. Schools will take on a significant portfolio of responsibilities such as health and safety; human resources – handling the complex casework around dismissals and employment tribunal claims; governors support services; learning transformation services – to target support at narrowing gaps in performance for vulnerable children; legal support for insurance based matters and ICT support. They may lose economies of scale by re-commissioning these services and end up buying these from the local authority anyway, and significant bureaucratic burdens and legal liability will be taken on; smaller primary schools may struggle to procure these services.

The enormous expansion of academies has implications for the significant curriculum overhaul promised, as academies will not be bound to follow a national curriculum, merely one that is 'broad and balanced'. This may jar with Michael Gove's stated concern about the demise of traditional subjects, as he is, in effect, writing off the government's mandate. With the impending abolition of the Qualifications and Curriculum Development Agency, the content of a 'national curriculum' is likely to be determined in the DfE – for the first time since the curriculum's creation under Thatcher. We know that the findings of Jim Rose's review into the primary curriculum will not be implemented – this will save the coalition an initial £7 million, although the costs of creating an alternative are not outlined and there is little appetite among teachers for a second review. This is a predictable move to realign the primary curriculum away from Rose's view that the primary curriculum was 'overloaded' and children would be better served by reducing 12 subjects to six 'areas of learning' with an emphasis on early competence in ICT.

The impact of this does not come close to the £35 million of cuts that are identified around *existing* curricula provision for 14-19 year olds: Labour's diploma is to be scaled back, and funding stopped for it and related qualifications. David Willetts has underlined his support for vocational qualifications which offer 'rigour and excellence', such as BTECs, HNDs and City and Guilds - 'around for years and highly valued by individuals and employers'ⁱⁱⁱ which may indicate their reluctance to innovate further in this domain. Yet the government promise of greater flexibility for 14-19 year-olds seems to be much the same as the sentiment which motivated Labour to create the diploma; it is unclear how it will be substantiated beyond promises to introduce Technical Academies, which may herald the teaching of exclusively vocational subjects from an ever younger age. These would mimic Thatcher's City Technology Colleges, but without the obligation to teach the National Curriculum.

£47 million of savings – unallocated money – is found in the One to One tuition budget – this is perhaps indicative of a drive for better classroom teaching. Gove has commented that free schools can afford to be flexible on *where* they teach, since quality of teaching is more important than facilities.^{iv} With repercussions among the teaching community, schools minister Nick Gibb commented last month that he would prefer to see a physics graduate from Oxford without a PGCE in the classroom than a qualified teacher with a degree from a 'rubbish university'.^v Money is to be invested in tempting more high-flying graduates, troops and those who need a career change into the classroom with an expansion of the Teach First model and generous promises to repay the student loans of maths and science graduates.

Amid the uncertainty plaguing vocational training within compulsory education; £11 million of cuts envisaged in the transfer to the Vocational Reform Budget (- the conversion to a system of qualifications based on time spent learning rather than level of learning) and the end to many

regional programmes focused on improving post-16 participation, the coalition have iterated their commitment to further education. 150 colleges will receive £50 million of capital redirected from the Train to Gain scheme and the remaining £150 million will be used to fund 50,000 extra apprenticeship places. However, this may be less about creating sustained pathways for vocationally minded young people and more about the ramifications for further education of David Willetts' avowed 'radical thinking'^{vi} about the future of higher education.

Willetts has spoken lucidly about the weak financial model of current higher education, whereby students don't want to pay higher fees; nor does the Government want to lend them the money to pay them. He finds hope in a model of further and higher education as separated by a 'permeable membrane'^{vii}: students could move from apprenticeships to degrees and FE colleges could offer degrees accredited by universities to students who wanted to stay at home and study (more cheaply). The first will do little to raise the status of apprenticeships to a parity with higher education and the second aims to encourage competition on quality and costs between institutions; Willetts is keen that if students pay more, they can expect more.

This market-oriented reform to further education may do little to realise Cable's aim of linking FE and HE better with the economy, but instead make it more student-centred as public funding 'follows the choices of students' to whichever providers and courses they seek. His aim is also thrown into question by government resistance to any constriction of the HE sector as a whole: while coalition cuts of £200 million will amount to around £1.2 billion over the next three years when Labour initiated cuts are included,^{viii} the impetus has been for universities to absorb this through efficiencies, rather than cuts in student numbers. The sector is likely to have to have more of the 'autonomy' so praised by David Willetts; as pressure is put on institutions to solicit funding from diverse sources, the worry is that teaching quality will fall as class sizes grow and foreign students are packed in as capital assets.

Policy on both schools and post-compulsory education builds on the trends of the last thirteen years, the former as schools are outsourced from government oversight and the latter as the pressure of higher education is outsourced from government coffers. It is salient that a central concern of this administration is to make available worthwhile vocational education. This is the bandwagon onto which the most deprived pupils are so often pushed and Britain's economic shortcomings blamed. With Further Education facing an unexpected capital injection, apprenticeships expanding and 10,000 extra university places in Science, technology and maths, we can hope that the liberalisation of all levels of education will do as the government promises and drive up standards, rather than entrench economic segregation with educational diversity.

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ENDNOTES

ⁱ <http://www.education.gov.uk/news/speeches/nationalcollegeannualconference>

ⁱⁱ <http://www.education.gov.uk/news/speeches/nationalcollegeannualconference>

ⁱⁱⁱ <http://nds.coi.gov.uk/content/Detail.aspx?ReleaseID=413420&NewsAreaID=2>

^{iv} <http://www.guardian.co.uk/politics/2010/jun/18/michael-gove-fast-tracks-parents-schools>

^v <http://www.guardian.co.uk/education/mortarboard/2010/may/17/nick-gibb-upsets-teachers>

^{vi} <http://www.bis.gov.uk/news/speeches/david-willetts-oxford-brookes-university-challenge>

^{vii} <http://www.bis.gov.uk/news/speeches/john-hayes-city-and-islington-college>