

The Independent ([web link](#))

## **Education: Opting out: what every parent should ask: Whether your child's school should leave local council control is an important decision. Colin Hughes offers a guide to the main issues**

**COLIN HUGHES**

Thursday 1 April 1993 00:02

SHALL we, shan't we? Will we, won't we? Thousands of parents are being confronted with the tricky question of whether they want their child's school to opt out. When experts passionately disagree and the issues are clouded by political rhetoric, it can be difficult for parents to reach a clear view on the pros and cons of leaving the local authority in favour of grant-maintained status.

Only this week John Patten, Secretary of State for Education, said opting out made good schools better, while national inspectors reserved judgement and independent researchers at Warwick University reported that opting out led to little or no change in educational style.

Many parents, of course, vote according to their political affiliations; others simply trust the recommendation of a respected headteacher or council official. But most are confused by the claims and counter-claims that are conjured up during ballot campaigns.

The next year or so will be critical for the Government's opting-out policy, and it will be individual parents who determine whether the movement stalls or gathers pace.

What follows is not a 'steer' as to how you should vote. It is intended as a guide to the questions you might usefully ask if the governors at your child's school decide to go for a ballot. The main issues are funding, prospects of political change, services provided to the school, whether the school wants to change its status, standards of education and management, and political principle.

Funding

CAMPAIGNERS concentrate most of their attention on this issue. It should not outweigh everything else, but local advocates of opting out will almost certainly argue that the school stands to receive more cash.

Local authority schools receive 85-90 per cent of the council's schools' budget, for their day-to-day running costs, covering everything from teachers' salaries (always the largest portion) to heating bills and books. This devolution of funds is known as local management. The remaining funds are used by the local authority to finance support services - advisory teachers, for example, or administrative back-up.

When a school opts out its governing body and headteacher become wholly responsible for its management, including the entire budget. Initially, the budget an opted-out school receives will be all the money it is receiving now, plus an additional share to cover the loss of local authority services. The extra share will, from September, vary widely, depending on which area you live in. In some places the extra is almost 30 per cent, in others about 10 per cent.

In the first years, at least, most schools will be the same or better off. It is unlikely that the Government, which is keen to promote opting out, will create a situation where grant-maintained schools are worse off. But the gain may not be so great - particularly if a lot of schools in your area have opted out already, or if your school already controls a large proportion of its funds.

And there is no guarantee that funding will continue to improve. So, even if the school receives a fillip in the first year or two, its funding may then level off, or even worsen in those areas where councils are spending above government guidelines.

Opted-out schools are usually better off, but they are not immune from the threat of future cuts. The big difference is that you will know exactly who to blame: ministers.

Another problem for some parents is that, where schools do opt out, their neighbours lose out. The system has been designed to encourage a 'domino'

effect. If one school falls to the opt-out movement, others are under greater pressure to follow. Relations between schools may be damaged - although a report from the national inspectorate suggests that such tensions rarely last for long.

Running costs are not the only funds received by schools. When schools opt out they become eligible for special government grants. Some are designed to make up for lost local council services. Others are intended to lubricate the change.

One example is the restructuring grant, for which schools can apply in their first year of becoming grant maintained. It is usually used to cover redundancy and early retirement costs if the head and governors want to shed staff. Another is the one-off grant to set up new administrative systems inside the school. Neither of these grants amount to 'extra' funds - you only get what you spend.

A substantial special grant covers the costs of in-service training for teachers and curriculum development. At pounds 42.50 per pupil, that funding is about half as much again as local authority schools receive - but, again, no one knows how long that gain will last. A small grant covers the insurance of school premises, which has an upper limit of pounds 6,000 a year. For large secondary schools that is a direct loss, because their insurance costs are often twice as high.

Last, but not least, is capital funding, the money for big building or maintenance projects. The sum being set aside by ministers for opted-out schools is generous at a time when few local authorities can afford to pay for big developments.

For routine maintenance opted-out schools receive pounds 11,000, plus pounds 20 per pupil. For other big projects they must submit proposals to the new Funding Agency for Schools. At present they will only receive the money if their plans are intended to improve delivery of the national curriculum (new science labs, for example), or are essential for health and safety, or improve a specialist field such as technology.

It is here that voluntary-aided (mostly Catholic or Church of England) schools stand to benefit. Opting out enables them to claim the entire cost of improvements, whereas at present the church must raise 15 per cent of the cost.

Finally, it is worth noting that the funding of grant-maintained schools has changed every year they have been in operation. Nothing is certain.

### Loss of services

THE GOVERNMENT wants opted-out schools, over time, to buy in their services from the private sector. So the real questions for parents are: a) are those services available? and b) can the school afford them?

The advantage is that schools become more free to shop around, thereby making savings and perhaps improving the service they receive. Some schools decide to do their own payroll management, others buy it in.

One of the main services provided by local authorities is advice, in the form of teachers who visit schools spreading good practice and ideas. Private provision is patchy around the country, but is expanding rapidly. Some is better than the advice provided by local authorities, some is weak. Travelling music teachers (known as 'peripatetics') often crop up in opting-out battles. Of course, schools can continue to buy them in, but it is an extra cost which the school may struggle to afford.

However, many councils have been cutting such services anyway. The answer depends on your local situation. Similarly, it is possible that council-wide services such as outdoor education, library and museum services and county orchestras will suffer as more schools decide to opt out.

Children who have a statement of special learning needs should not suffer. The money for their extra support will be paid to the school. But other children with special needs may lose out. Again, it depends on the individual school.

### Management

FOR SOME advocates of opting out, including many headteachers, this is the most important issue - even though it is often not so openly discussed as funding.

A school that is well managed stands to make clear gains from opting out. Good management means a headteacher, senior staff and governing body who have a clear idea of where they are heading and how they intend to get there. They can use their extra freedom to save money, act more quickly, make radical changes and think ahead. Some heads will say that the freedom they now have under local management is enough, others yearn for that little extra.

Most actively interested parents have a good subjective impression of the school's management. It is certainly an issue on which you should make a judgement. The head and governors of an opted-out school have an awesome power and responsibility. If they are not up to the job they should not be entrusted with it.

At least two opted-out schools have floundered in their first year. One had to be taken back under the council's wing, the other suffered from an angry public dispute between the head and some governors. They are exceptions, but they are worth remembering.

### Questions of principle

THE ARGUMENT about local accountability of schools receives a great deal of attention. Many of the letters to local papers during opt-out battles are from local councillors or governors fighting over this issue.

For most people, in practice, it is a peripheral question. Still, it is worth thinking about. At present parents can only vote to change a small group of parent- governors once every four years.

The majority of governors is nominated either by the governing body itself, by the teaching staff or by the local council - parents have little or no say. An opted-out school has a few more than half of its governors nominated at the

time it becomes grant maintained; all the rest have to be re-elected periodically. So more governors are directly accountable to parents.

But only those parents of children at present at the school can vote in the ballot or in parent- governor elections. If your child is in the top year of a primary school, you have no power to influence the governing body of the school that your child will be attending next year.

Opting out encourages competition between schools. That may help to improve standards and force schools to respond to parents' wishes. It may also lead to some schools winning at others' expense. Again, it depends on the area you live in. Many opted-out schools co-operate with each other, and with the local authority, to their mutual benefit.

Opted-out schools also have a greater freedom to choose which pupils they will take in, and may apply to the secretary of state to operate a different policy from the local authority. Some parents will applaud the greater freedom, while others may feel that it works unfairly in favour of grant-maintained schools.

### Change of status

FOR A lot of people, this means the 'S' word: specialisation. That, in turn, means 'bring back grammars'. In fact, however, most applications for change of status are likely to come from 11-16 schools that want to add a sixth form, or from schools that want to specialise in a particular subject - thereby distinguishing themselves from their competitors and perhaps earning extra funds.

Only a minority of opted-out schools wants to reintroduce or extend selection - in other words, convert themselves from comprehensives into grammar or semi-grammar schools. They must apply to the secretary of state for approval.

So far he has agreed to two. One is to become very selective for all its pupils, the other will only select a fifth of its pupils for a special 'academic' band, while other pupils will continue to gain their places as though the school

remained comprehensive. More requests for changed status are bound to follow, but it seems as if the latter route is more likely - selecting some pupils for their aptitude in some subjects.

Changing the school's status may improve applications and entries to the school, thereby bringing it more money because schools receive more funds for each extra pupil. But it can create considerable local tension and may disadvantage neighbouring schools.

It is possible to protest, but objections do not have to be published and the secretary of state need not explain why he has decided for or against a change of status. You should ensure that the headteacher and governing body say quite clearly during the opt-out campaign whether they have any plans to change the school's status.

The future

THE GOVERNMENT is for the moment committed to letting governors decide whether they want to hold a ballot, and then letting parents decide whether the school should opt out. There is, therefore, no way of knowing how many will make the break. The Labour Party and the Liberal Democrats are committed to returning opted-out schools to local authority control. If the vast majority of secondary schools opts out, which is still possible before the next general election, it will be difficult for the opposition parties to implement their policy.

But opting out is very patchy. Nearly half of the 109 local education authorities have yet to see a school opt out. Only 105 out of 19,000 primaries have left their local authority. If opting out fails to gather pace during the next year, the Government may have to think again or face the prospect of seeing the whole experiment unstitched by a new government.

The Independent has long believed that ministers should have waited until all schools were ready to leave local authority control and then taken them all out together - precisely to avoid the kind of confusion that confronts us now.

Parents have a fine judgement to make. Your votes will not only affect your own child's future but may influence the way schools are run for decades to come.

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The Independent

## Every school to opt out of local council control

**Ben Russell**

Saturday 30 May 1998 00:02 ([web link](#))

ALL schools will be given control over their finances, effectively allowing them to opt out of local authority control, the Government announced yesterday.

Stephen Byers, the Schools Standards Minister, said every head teacher would have control of a bank account and complete power over their school's day to day budget. The change will transfer an estimated pounds 600m per year out of the control of elected councils into the hands of heads. Local authorities will face severe limits on their powers over schools and ministers will be able to cap the amount of money they spend on administering education.

The move will revolutionise the way schools are run, in effect offering all schools the freedoms of grant-maintained status championed by the last Conservative government.

Mr Byers told the National Association of Head Teachers Conference, in Eastbourne: "This is schools' money and schools should have the benefit of that money and they should have control of how that money is used."

In the past, local authorities have come under fire for holding back from schools substantial proportions of their education budgets. Instead of having to vote to opt out of council control, all schools will be given the automatic right to manage almost every aspect of their affairs.

A consultation document proposes giving head teachers powers to run school catering, repairs, payrolls and finances as well as buying in educational advice from outside experts. Local authorities will retain powers to allocate school places, control



school expansion, run special needs education and employ local advisers to ensure government targets are met.

Mr Byers said head teachers would be able to seek out the best deals on the open market, potentially releasing millions of pounds to spend in the classroom. The new arrangements will be brought in next year.

The School Standards And Framework Bill will create three new types of school - foundation, community and voluntary - to replace the current distinction between county, grant-maintained and church schools.

David Hart, NAHT general secretary, welcomed the announcement, but warned of possible redundancies if schools chose to drop council services.

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BBC News –

By Sean Coughlan  
25 May 2010 ([web link](#))

## Opt-out offer for outstanding schools

**Thousands of outstanding schools in England could become academies and opt out of local authority control, under plans announced in the Queen's Speech.**



Michael Gove

The Academies Bill will also make it easier for parents or other providers to set up new academies.

Primary and secondary schools graded outstanding by inspectors could be fast-tracked into free-standing academies by this autumn.

The ATL teachers' union attacked the plans as "irresponsible".

The Academies Bill, to be presented to Parliament on Wednesday, allows for a rapid increase in schools operating outside local authority control.

Schools which are assessed as outstanding will be able to switch to academy status and opt out of the local authority.

The plans will also remove the council's veto on groups wanting to set up schools with taxpayers' funding.

### **'Free schools'**

The "free schools" policy will now mean that state-funded academies can be set up without needing to consult the local authority.

The pupil premium, which aims to target extra funds to schools with poorer pupils, will be addressed in a separate bill this autumn.

The Academies Bill represents a sea-change - with the potential to remove many of the highest-performing state schools from the local authority system.

Up to one in five secondary schools could leave council control.

The Conservative-Liberal Democrat government wants to give more autonomy to individual schools.

This greater independence from local authority control goes hand in hand with "free school" plans to allow outside providers to run schools with state funds.

But Mary Bousted, head of the ATL, described the academy proposals as "irresponsible".

She warned that they had not been "thought through" and that the "law of unintended consequences" could mean that the proposals "end up in a mess".

The academy scheme developed by the previous government had been designed to tackle underachievement, with high-profile building projects trying to raise education standards in deprived areas.

It gave academies more independence in an attempt to promote innovation and revitalise education in the toughest areas.

Under the new proposals, academies will be top-performing schools, many located in affluent areas.

## **Extra cash**

Outstanding schools will be deemed as "pre-approved" to become academies - and thereafter all other schools will be able to apply.

About one in seven primary schools are outstanding and one in five secondary schools.

By taking academy status, schools will receive their funding directly from central government and will have greater autonomy over how they are run.

The previous academy scheme aimed to have 400 schools - but there are more than 2,300 outstanding primary schools and more than 600 outstanding secondary schools which could adopt academy status.

It remains uncertain how many schools will apply for academy status.

Head teachers' leader John Dunford suggested that schools could be attracted to opt out by extra funding, as schools are likely to keep the proportion of the budget currently kept by the local authority.

And there will be questions about what will happen to local authority education services if councils are left controlling a diminishing number of schools with reduced funding.

This first education bill from the coalition covers territory that divided the parties in the election campaign.

Education minister in the coalition, Sarah Teather, attacked the free school plan last month as a "shambles".

"Unless you give local authorities that power to plan and unless you actually make sure that there is money available... it's just a gimmick," she said during the election campaign.

There will be a further bill in the autumn, the Education and Children's Bill.

This will promise a pupil premium, a slimmer curriculum, new tests at the age of 11, a reform of Ofsted, and more powers for heads to improve behaviour.