



Education Committee

Oral evidence: [Academies and free schools](#), HC 258

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Members present: Mr Graham Stuart (Chair); Neil Carmichael; Alex Cunningham; Bill Esterson; Pat Glass; Siobhain McDonagh; Caroline Nokes; Dominic Raab; David Ward; Craig Whittaker.

Questions 783-903

Witnesses: **Rt Hon David Blunkett MP**; **Jay Altman**, Chief Executive Officer FirstLine Schools, New Orleans; **Theodore Agnew**, Sponsor, Inspiration Trust, Non-executive Board Member and Chair of the Academies Board, Department for Education; **Warwick Mansell**, freelance education journalist gave evidence.

Q783 Chair: Good morning and welcome to this session of the Education Committee, looking at academies and free schools. I am grateful to have the four of you here, and we have the indulgence of one panel today, rather than having to go through at lightning pace. We will none the less try to keep our questions succinct, and answers, I am sure, will be. We can cover a lot of ground. Is the academies programme a success? Warwick?

Warwick Mansell: That is a big question to start with. It is too early to judge. It is kind of a cop-out, is it not?

Q784 Chair: So far, then?

Warwick Mansell: I am an academies sceptic. There are some serious problems emerging with the system, and I am very reluctant to get into very detailed statistical analyses about results of particular schools, for example, and try to judge the system on that. There are huge questions about exactly how the incentives are working out there, with academies and with schools generally, with the school accountability system. It does seem to me that the academies system is bringing some innovation into schools, but the question is whether that is the right kind of innovation; whether the freedoms that schools and academy chains are being given are the right kinds of freedoms. I do think that we will look back in 10 or 20 years' time and wonder about this sort of wholesale, very quick move from the traditional structure that operated for decades in this country. We have moved away from that very quickly, and we are seeing some of the detailed problems with it emerging.

Q785 Chair: For a man who has written a book about numbers, it seems strange to refuse to engage with the data.

Warwick Mansell: Well, no, I want to engage with the data all the time. My life is looking at Excel spreadsheets and trying to manipulate tables and see what they are actually telling us. My scepticism comes from long experience, and having written that book, it is foolish to try and judge a particular school in this way. To look at a school that, for example, has improved its results very quickly, my experience—having written that book—teaches me that the appropriate first reaction is to be very sceptical about what has actually driven that. I am sorry; that sounds incredibly cynical, and it is a sad position to have reached as an observer of this system, but you have to ask questions about exactly how the results have gone up. You cannot just say, “The results have improved, and therefore this school must be better.” The worst kinds of comparisons are, I think, the crude ones that the DfE gets into, where they are looking at overall average results of academies against overall average results of other schools. They are not looking at issues about whether academies are starting from a lower base, and therefore they have more scope to improve. You just have to be very sceptical.

Q786 Chair: Thank you. So, is the academies programme a success, Theodore?

Theodore Agnew: I think it is a resounding success. You would probably expect me to say that, but the first thing we have to remember is that the sponsored academy programme is tackling wholesale underperforming schools, in a way that has never happened in this country before. The last Government courageously began the programme. There were 200 sponsored academies four years ago; by the end of this Parliament, there will be 1,000. They are going into the worst, most deprived parts of this country and dealing with decades of underperformance. That is the most important headline figure. I will take a top-line figure, and they are improving. The rate of improvement of sponsored academies over the last three years is 12%, compared to 6% in local authority schools. We can get into the data later, if you want to do that, but it is worth remembering that these were the worst schools in this country.

Q787 Chair: Do you think it is sensible to separate sponsor and converter academies? Slipping into talking as if it is one homogenous policy area is a mistake.

Theodore Agnew: I think it is, yes.

Q788 Chair: David? Is the academies programme a success?

Mr Blunkett: Thank you, Chair, and thank you for the invitation. You want short answers?

Chair: They do not have to be that short. We have got quite a bit of time.

Mr Blunkett: On the whole—but not universally—the original city academies were a success, but they were not a success because they were academies: they were a success because of the measures taken inside the school, from within the school, and the pressures and support from outside the school. The original academy programme sprang, as you will remember, from the Fresh Start programme, which was the initial drive to tackle absolute, gross underachievement, which also involved—and Jay will be interested in this

from the US point of view—the threat to close schools. Some of those schools were closed.

The intention was to have a dramatic impact on a school whose performance and reputation had reached a point where parents did not want their children to go there, and we were ashamed that the children were going there. It sprung from a desire to have a dramatic impact on the whole nature of the school: the leadership team, the recruitment of new teachers, the inculcation of best practice from elsewhere, and a partnership approach, not only with neighbouring schools and the community but with business and academia. That is where it sprung from, in terms of the Green Paper for which I was responsible.

Q789 Chair: You said at the beginning that the improvement did not spring from their being academies. Is that not to miss out the fact that it was the academy form and the sponsors that brought that outside expertise into areas of deprivation and failure, where local authorities had struggled to get the human capital to turn around schools and provide that kind of strategic governance?

Mr Blunkett: Yes, it was, but just to pick up Theodore's point: there is not such a thing as local authority schools. This is an insult to Ken Baker, because from 1988, there were major changes in the relationship. People still do this now: they still talk, as Theodore has done, as though we have not made any progress in terms of the autonomy of schools as a whole. There was an emphasis on school leadership and schools running schools, and I just want to put that on the record, because it does not help in an intelligent, well-thought-through debate.

We could have called them anything else. We could have said that there is a category of school that still has a relationship with a local authority that has these powers. We could have said—as we did with Islington, Leeds and Liverpool, which Estelle Morris led on—that we will put out the support services elsewhere, which was the forerunner for the academies' sponsors. The whole objective was that they would actually have sufficient autonomy to innovate with the necessary, really focused support—which some sponsor academies do give—towards actually changing the practice in the school. It is the school driving the change. That has to be the long-term aim. I am keen that the original academies should be seen as an innovative step to be built on, rather than an end in itself. That is what I am really saying to you, Chair.

Q790 Chair: Thank you. Jay, is the academies programme a success?

Jay Altman: From a now-distant perspective—once intimate, now distant—they strike me as very successful; at least, the ones that I know of. This is not universally: it is a messy process, and some schools do well and some do not, but overall, the ones that I have watched over the last eight or nine years have made enormous gains. Once, there was this world where there was “good schools” and “bad schools” language, and now a lot more schools have escaped that dichotomy in the most deprived areas. Building on Mr Blunkett's point of view, there is much more autonomy here—the schools have much more—but what the academies programme did was create an additional, informal accountability and drive through the sponsor mechanism that was helpful.

Q791 Chair: Given that school-to-school collaboration is at the heart of a self-improving system—comment if you do not agree with that—is it worrying, Theodore, that most academies are not part of any formal partnership?

Theodore Agnew: I am not sure quite where you get that figure from.

Chair: From the Department for Education evidence to the Committee on 5 February.

Theodore Agnew: I would look at it slightly differently. We have around 600 sponsors, and 300 of them are converter academies themselves, so half of all the sponsors are schools, and a secondary school will have on average five feeder schools supplying its pupils. Of course, it has a very close relationship with those schools, so I just do not accept that there is an atomisation and segregation by academies from their local communities. All of the experience that I have seen, and all of the people that I have met over the last 18 months, understand that they are at the heart of their communities. They have to be.

Q792 Chair: Nonetheless, in February, the Department for Education in its evidence to us said that only 48% of all academies are in some form of group, which suggests that 52% of them were not. Regardless of whether you agree with the numbers from the Department on whose non-executive board you sit, the issue remains that there are significant numbers of academies in a self-improving school system, as envisaged, which are not part of any formal partnership. Is that a worry, and what should be done about getting those that are not partnering with others, are not collaborating, and are atomised to change?

Theodore Agnew: We have just completed a survey in the Department that will be published, I believe, in a few days' time. We had 720 responses, and 87% of those responding said that they were supporting other schools.

Chair: That is because they are obliged to in their funding agreements.

Mr Blunkett: Absolutely.

Theodore Agnew: 72% said they were not before they became an academy, and 96% of them were outstanding academies. The point that I am trying to make is that there is collaboration going on, and again, it is early days. This will evolve over the next few years.

Q793 Chair: My point was not that collaboration was not going on. On this Committee, we meet outstanding people in all sorts of places, and the danger is that you get a distorted view of the reality overall. There are a lot of schools that are atomised; you do not think that is a good thing, so my question was: what should be done to ensure collaboration where it is not happening now? We have had evidence suggesting that sometimes, even where it happens in form, it is not really happening in substance, which of course makes the use of sticks difficult. Trying to use sticks to force people into partnership does not have a great history. How do we incentivise and create this school-to-school, peer-to-peer, collaborative, self-improving system about which, it seems, there is pretty broad political consensus that it is a good thing? How do we put in place the incentives and/or the sticks, if you think that will work, to make that happen? One more time with you, Theodore, if I may.

Theodore Agnew: I think it is happening. We have to accept that we are in early days — Mr Mansell is correct there—but this collaboration is gathering momentum. We also look at the whole thing about admissions. There is a lot of talk that somehow academies can flout the admissions process.

Q794 Chair: I will stick absolutely on this issue of collaboration, and the fact that most schools are not part of a formal partnership. Warwick, do you want to say something about that?

Warwick Mansell: I think it is entirely unsurprising that you get those figures coming through. The accountability system is set up to put huge pressure on individual institutions to raise their numbers, and you have seen what happens if they do not: the headteacher is likely to lose their job, Ofsted is sent in, and we can have these takeovers by academy organisations of schools that are not already academies, or the transfer, sometimes, to different organisations of those that are. Self-interest would suggest that this system encourages exactly that kind of behaviour. It is incentivising that.

Q795 Chair: Theodore is right, though: the evidence that we have had pretty much overall—not entirely, but pretty much—has suggested that there is more collaboration between schools now than there ever was before. Critics of the academies programme like you said, “No, it will be entirely atomised and competitive; forces will be unleashed and they will sit in their own little islands; some will succeed, but others will fail, and they will not help each other.” That is not a fair picture of the emerging situation, is it, even if we have not got that collaboration embedded everywhere?

Warwick Mansell: I obviously have not seen your data, so I do not know. Actually, that was not a point directed particularly at academies, in the sense that these competitive pressures are on all schools. That is the reality of the situation facing all schools, and I do think that the dominant model that the Government is pushing and wants us to go down is the academy chain model, where it is not a model of collaboration across the chains. Presumably, the philosophy behind is that these chains compete very vigorously, and they are doing that.

Q796 Chair: Does that fit with teaching school alliances? I keep looking to see that: in the light of this inquiry, I look through the papers and reread the 2010 White Paper to see if it was there, red in tooth and claw, driving competition. There is very little about competition and a great deal about collaboration, and getting collaboration in.

Warwick Mansell: Academy chains, certainly, are very defensive of their reputations. They are very focused on the need to protect their own organisation. One thing that has been coming through a lot in the last few months that I have been finding—and once again, I am not saying this is confined entirely to academy chains, but I have certainly had these allegations in relation to academy chains—is that some schools are forcing out pupils before they get to the January of Year 11. They are trying to get rid of pupils that are going to be difficult for their figures, because the January census is when they are counted for GCSE results. I did this feature back in January. I was looking at the comprehensive pupil census data for the 2013 cohort—the cohort that took their GCSEs in 2013—and I found quite large drop-offs in cohort numbers in individual schools of pupils as they went through the school between Year 8 and Year 11. This was not happening in

all schools, but there were 67 schools where there had been more than a 10% fall in pupil numbers over that period, and I am getting increasingly anecdotal evidence that certain organisations are using unofficial exclusions, asking parents to take their child out of the school.

Q797 Craig Whittaker: Was that particular to academies, or have you seen that right across the board?

Warwick Mansell: The anecdotes that I am getting tend to be particular to academy chains. I do not know if that is people contacting me more about particular academy chains, but in a way, it is not surprising, because they have to be so results-focused. On the statistical evidence, no, it was not particular to academies, but I did mention in the story that one chain had six schools in the top 50 for fall-offs, and this is a chain that is regularly getting “outstanding” and “good” inspection reports.

Craig Whittaker: The only reason I ask is because I know of two schools in my local area that are not academies where there are definitely allegations of this being done. I was interested to see whether it was particular to academies, or it was right across the board, and I suspect—although I do not have the evidence—that it is right across the board.

Q798 Chair: You said “they have to be so results-focused”. Why do academies have to be so results-focused, compared to other schools?

Warwick Mansell: You can see what happens if the results are not going the way that a chain wants. You have seen what has happened with a chain such as E-ACT. I am not saying that was entirely results-driven, but results are surely a factor there. They factor into Ofsted inspections.

Q799 Chair: It suggests that they are more nakedly accountable than maintained schools on average, does it not? If they are quicker to take action and more results-focused, is that not an indicator of why they might be doing—as the data suggests so far—quite well?

Warwick Mansell: I actually think the data can be read both ways. I did not really want to get into the ins and outs of the data.

Q800 Chair: I just wanted to see if you had anything. David, do you want to comment on this issue of the fact that most academies are not part of a formal partnership?

Mr Blunkett: We have a contradiction, do we not? Sir Michael Wilshaw described the system as atomised, not you or I, Chair, and the contradiction is that underneath that, there are efforts at collaboration taking place every day. The sponsor chains that have a geographic focus have the right kind of intensity, which kind of critical core makes it possible for people to share best practice and to partner. At local level, there are efforts across local authority areas, driven by schools and supported by local authorities, that build collaboration despite the atomisation of the system itself; city-wide learning bodies.

The London Challenge is obviously the example that you are all familiar with, so I will not bang on about that, but the same applies in areas like Wigan, and in London in Newham and Tower Hamlets, where schools are partnered with schools and schools—whether it is through a Teaching School Allowance or the sharing of best practice—are helping each

other. It is almost despite the system. I was a bit thrown by Theodore's statistics. I was not sure, because I am obviously not as close to the Department as he is, about what this survey was endeavouring to show. If 96% of those surveyed were outstanding, was this self-selecting? Did the Department look at 700-odd schools that were of particular interest? The 13% that were deeply honest and said, "Despite our funding agreement, we are not collaborating" is actually going to be taken against the honest or the grossly dishonest. I am being mischievous because I think we have got to get into what is going on inside the system.

Q801 Chair: But is there more collaboration now than there has ever been before? If you were right, and the system dynamics actually worked against it, it would be rather surprising if you ended up with more school-to-school collaboration than you ever had before, which is mostly what we are hearing.

Mr Blunkett: I think there is less collaboration, but there is more effort from schools themselves to try and put the system back together again. If that is a contradiction, let us explore it. I just think that there is a real effort by schools themselves, because they do know that in the end, going it alone is not the answer. They do know that working with their family of schools—not just their primary school partners, but others in the secondary school system around them, and working in collaboration with UTCs and the like—is the only way of ensuring that all children get that opportunity and they are sharing that best practice.

Q802 Chair: If they understood how to get school improvement, and thus the best results, correctly, they would realise that collaboration was not a loss, but a gain. Collaboration will make them more likely to keep their job and more likely to get the best results.

Mr Blunkett: The question that we have to address is how we best broker that.

Chair: That is my question to you, David.

Mr Blunkett: I set it out in my paper. I believe that the best local authorities and the best sponsor chains are doing it, but there is a great deal in England where this is not happening, and a specific focus from an independent direct of school standards based at local level, driving that collaboration, helping schools to broker that partnership, and intervening when necessary would be a corollary of the work of Ofsted, which is getting slightly confused as to whether it is an inspectorate or whether it has that brokerage and partner role as well.

Q803 Bill Esterson: When we were in Hull last week, we heard evidence from an enthusiastic brand new Director of Children's Services—I think that is what he still calls it—and Schools that the local authority and schools are working very well together; that, effectively, academisation has not changed the relationship, which perhaps backs up David's point that in parts of the country, these things are happening. But we met some of the headteachers of a teaching schools alliance, some of which are in a multi-academy trust and some or not, and it seemed to me from the evidence that the key thing was the collaboration, rather than the academy, when it really came down to it, allied to strong leadership. Warwick, you presumably would agree with that.

Mr Blunkett: World-class school leadership requires the ability to innovate; to manage; to drive up standards through the recruitment of, and continuing development offered to, the best teachers available. Linking that with the combination of collaboration, the spreading of best practice, and learning from each other is what is driving the best results, whether that is within a sponsor chain or whether it is collaboration driven purely at local level. We just need to focus relentlessly on that, rather than on the status of the school, and whether we are having a go at some past mythical practice or real practice that was failing our children. It is self-evident from every possible study across the world.

Warwick Mansell: I do not think any particular structure stops a school from being as collaborative as it wants to be, and work with the community as much as it wants to. I would be a bit sceptical about describing the model within academy chains as “collaboration”, though, because some of them certainly seem to be quite top-down organisations. There is this idea of autonomy; there is autonomy for the chain, but the mechanism has been set up so that the sponsor can be very much in control of what is going on. You only have to look at the fact that several of the major chains actually have the name of the sponsor in the title of the school, and all the branding is of that organisation. You certainly get collaboration across the system, but I am not sure that “collaboration” is the right word to describe what goes on within an individual chain.

Mr Blunkett: The worst chains are replicating the worst of what people said local authorities were doing: i.e. top-down, about the local authority and not the school, with an emphasis on outside rather than inside improvement of the school, and taking away the autonomy of the school head to manage, to be able to recruit, and to actually have a driving force from within that school. What we have got to avoid at all costs is a replication, geographically-spread, of a system that people were criticising in the first place.

Theodore Agnew: Just to finish off on collaboration, half of all teaching schools are academies, so they are, by definition, in the community. 55 SCITTs are academies. I really want to emphasise that. I accept Mr Blunkett’s point that the 87% who said that they were collaborating means that 13% were not; you are right that in the funding agreement, there is a requirement that there should do so, and this is all starting to happen. The other figure that I gave you was that 72% said that, before they had become an academy, they were not collaborating, so there is a direction of travel. It is incredibly important that everybody understands that.

Q804 Bill Esterson: How much does it matter whether schools convert to become academies or stay as maintained schools? Is it horses for courses? I think David was heading in that direction, saying that structures are not that critical.

Theodore Agnew: You have had evidence from Mr Schleicher, and he takes a view across the world. There were three points he made that I think go to the heart of it: teacher participation in the management process, standardised goals in the system, and clarity on what good outcomes are. What an academy chain does is create an accountability model that ensures that happens.

Q805 Bill Esterson: Do you have to be an academy to achieve those goals?

Theodore Agnew: You can call it whatever you want, but what the last Government did was create a structural framework that they called academies, which enabled all of those things to happen that were not largely happening in the previous regime. That is the key to this. The original academies were given four freedoms: more financial autonomy—not having to go through the LEA for their top slice—freedom over their curriculum, freedom over school day, and pay and conditions. They are gradually being widened across the whole system, but you had to start somewhere, and that is what the academies programme has done.

Q806 Bill Esterson: Warwick?

Warwick Mansell: I think that is really interesting. There is an important philosophical or legal difference between academies and the traditional local authority model, in that it is true that the accountability for the whole process was set up within an academy to go very much through the sponsor. The sponsor, essentially, is the person in control of the entire system. It is set up as a contract between the Secretary of State and the sponsor, and so that means the sponsor gets a lot of control. The key question to me has always been whether that is the right model. Is it right that we are giving sponsors more or less absolute control over these schools?

There are few checks and balances, and I think it was set up under Labour deliberately to do that, because it was felt that you needed a radical new solution in schools that had serious challenges. The model was, “Okay, we are going to bring outsiders in. We are going to give them a lot of influence, subject to intervention by the Secretary of State”, but essentially, the model does reduce the influence of the local community: local elected politicians, certainly, but local parents as well. It is still in place, and we have gone from a model where this was used where it was felt that something dramatic had to be done to a model across the system, and we are handing control of our schools to sponsors, basically, and saying that that is what we want. We do not want local communities involved.

Q807 Chair: Thank you. Jay, did you want to come in?

Jay Altman: This is the philosophical tension that is fundamental to whether one thinks academies are the right approach or not. There is a question of organisational efficacy, and what the conditions are that will most facilitate the largest number of teachers and school leaders being effective: both through freedoms, and also through formal and informal accountability processes. In the most deprived areas, you had folks who had come to take it as the natural order of things that certain schools would just be under-performing, relative to others, for years.

What the academy programme did is, rather than say that it is going to be a democratically governed process where that has not worked, say that we are not just going to switch school leaders: we are going to switch governance structures, and this different governance structure will provide more impetus. We will leave it up to then, again, subject to what Mr Blunkett said. Some have become more centralised; some, less. I do not think that is actually the essential issue. I think the essential issue is what conditions will allow different types of people to be highly effective, and that does run into tension sometimes with democratic participation, unfortunately, but that is a tension that is going to be inherent in this forever. If your bottom line is results and what works, then you keep

following that, and when certain governance entities do not work—if they do recreate the conditions of those authorities that had the worst conditions—they are held accountable, and they lose those schools, or are forced to improve them or else they will lose them.

Mr Blunkett: Which I think, Chair, takes us right back to your original question. Surely the answer is that we are looking all the time to learn from what is working best and set aside that which is going wrong. The difference between Theodore and myself—although he may disagree—is that his unique role as a non-exec with almost special adviser powers places him in a position where he is defending whatever is happening. I am not defending everything that my Government did, or that I did in the four years I was Education Secretary; I seek to learn from it. If we stop saying, “This system is ideal. This is what is working, and we have got nothing to learn from it, except to put our foot further on the accelerator and make it go faster”, and we ask, instead, what bits of it are working and which bits are not, we might actually get a frightening consensus that would upset the media enormously.

Theodore Agnew: I think I should respond to that. I wish I had the power that Mr Blunkett implies that I do have. I am afraid that I do not, but I am the first to acknowledge mistakes that have occurred over the last few years. When I was working with Michael Gove before the election, the reason he wanted to use the academy programme as the spear to improve standards was, as he said, that this was a Labour programme: “I want to build a consensus.” Because of the nature of our adversarial politics, that does not come across very often, but I give all the credit to the academies programme in the design to Mr Blunkett and his colleagues. They started it. They had to have a lot more courage, actually, than a Conservative-led government has had to do, because they had to tackle entrenched interests in a way that we have only built upon. I give him absolute credit.

There have been mistakes. Some of the chains grew too quickly; since I have been involved, that has not happened. I hope that we are going to come onto a debate about regional school commissioners later, because I believe that is a very important next plank in the programme. I do not believe Whitehall should be overseeing 4,000 or however many schools centrally. We have had nine changes to the funding agreements since the original one designed by the last Government. Again, it is evolutionary. Just to give an example, in 2012, all academies were given the power to preferentially recruit Pupil Premium, free school meals children, because we want to get to the most deprived parts of our society. That is what this is about. It is incredibly important to keep hammering away at that, but I would long for a consensus.

Q808 Bill Esterson: You just said that Michael Gove wanted to use the existing academies programme to improve standards, so why did he start with outstanding schools and schools that were good, with outstanding features?

Theodore Agnew: Well, he did not start with that.

Bill Esterson: That was the way he used the academies programme initially, was it not? Those were the schools that could apply to convert. That was the first batch.

Theodore Agnew: I think we should keep sponsored and converters separate, just for the moment. I will answer your question, but the two are very different animals. The sponsored are the weak schools with underperformance; the converters were the good

schools. You are seeing him in a couple of weeks in this Committee, so you can ask him, but the reason that he wanted to unleash good schools from the controls that they were under before was to bring innovation into the system. That is really what it was about. Again, if we look across the world, we know that we are falling behind educationally. One of the greatest ways to improve education is to bring about innovation, and the academy programme and the way it is structured allows innovation to happen more easily than in a traditional model.

Q809 Bill Esterson: Moving onto the converters, then, to what extent has the success that the DfE claims for converters been as a result of the initial injection of money that went with the process?

Theodore Agnew: Converters did not get a great deal of money. The main win for them was the top slice that was being kept by the local authority and then fed back to the schools. In 2011, the average of that was 12% or 13%, so it was a large amount of the school's income that was being held by the local authority. That was the main win that a converter got. It then got the other freedoms that I mentioned, in terms of more freedom of curriculum, length of school day and those kinds of things, but it has not had a lot of money.

Q810 Bill Esterson: Warwick?

Warwick Mansell: I do not think that reflects reality, to be honest. I have been speaking to lots of different schools: some of them signed up to be academies, others were more sceptical. In those early days, they talked about figures approaching a million extra coming into their budgets. Now, obviously, some of that is local authority services, but the complexity of the funding system—although I am not saying this was done deliberately by the DfE—made it that the schools were getting large sums of money because of this, and it has clearly been a factor.

Q811 Bill Esterson: David?

Mr Blunkett: Of course, they are about to lose £200 million from next April anyway, but this is going to put pressure on the way in which schools collaborate. You need resource, not just to buy in services, but to be able to work together to create those support systems that all of us are familiar with.

Q812 Chair: Theodore, you mentioned the freedom to take children on free school meals, Pupil Premium children. Are schools using that? Have we got any evidence to suggest that that is actually having any effect?

Theodore Agnew: I also am a sponsor, so wearing my hat as a sponsor, it is a huge priority, partly because there is the financial incentive through the Pupil Premium that disadvantaged pupils bring with them. As long as the Pupil Premium is stapled to the free school meal calculation, there is a proper alignment of interest in the system for schools to seek out these children.

Q813 Chair: And the Pupil Premium is sufficient—in purely financial terms, forgetting the moral mission—that the additional requirements to support that child are less than the money that you get?

Theodore Agnew: Oh, absolutely, yes.

Q814 Bill Esterson: What does the international evidence suggest about the relationship between school autonomy and student outcomes?

Jay Altman: Sorry, I did not hear the question.

Bill Esterson: What does the international evidence suggest about the relationship between school autonomy and student outcomes? Jay, perhaps you could answer.

Jay Altman: That autonomy alone does not produce any change in the outcomes, but when you have robust accountability structures that are appropriate, that are not overly onerous, that you see increased performance. I do not know the entire international landscape; I am looking at charter schools in the United States, where we have a number of different states. The majority have charter school laws that have granted schools autonomy. Some of them have not seen any difference in performance, and that is where they have had low accountability. Some of them have seen significant performance gains, and that is where they have good accountability structures; particularly, gains with the students who traditionally are not being as well served.

Q815 Bill Esterson: Do you think that the balance here is about right between autonomy and accountability?

Jay Altman: I do. Again, going to Warwick's point, there are a number of other values that you are trying to balance in relation to outcomes and results, such as democratic participation and collaboration. I agree with the way Mr Blunkett has been focusing on collaboration: collaboration about best practice and learning for results. The problem that you run into is that when you start to prescribe that, you easily end up with people collaborating for the sake of collaboration, without it being focused on creating better schools. How do you do that in a way that is not prescriptive in a counterproductive way? This is really a question of laying out the different values that you are trying to balance. I am assuming that pupil achievement and wellbeing are the foremost ones.

Q816 Bill Esterson: David?

Mr Blunkett: Headteachers said to me, Chair, when I was consulting, that the worst kind of collaboration is when people partner with the equally useless. We have got to try and get this right. It has got to be right for the particular school, because what works in one school in a different geographic part of the country, which is why I have said earlier that the geographically based sponsor chains seem to me to be on the right lines. Where they are not geographically based, I have said to those I have met, "Could you not actually have a structure within your sponsor chain that builds on that local and sub-regional collaboration?"

The bit that worries me most at the moment in terms of how we get collaboration right is continuing professional development. Centres have closed that were not universally good, but did offer the opportunity at a sub-regional or city or borough region facility to bring

teachers and headteachers together to build on best practice. Some of that has eroded, and as well as the TSA, in terms of training teachers, the evidence from the OECD is very clear that CPD is actually crucial.

Q817 Bill Esterson: Warwick?

Warwick Mansell: There are quite a few things to say about that. I think that David is right in terms of what the OECD sometimes says about autonomy and accountability. If you have autonomous systems and you hold schools to account for results, that tends to be a good thing, although I think that sometimes it says different things, and if you actually look in detail at the evidence base that the OECD uses from its PISA database—before you can even get into difficulties about themselves, and how much can be read into them—when they ask about autonomy, it is very much perceptual stuff, I think. It is asking headteachers how autonomous they feel. It is very nuanced, basically, so I would be a bit sceptical about that.

I was at a conference last week where an academic was pointing out that countries that seem to have low levels of autonomy, such as South Korea and—I was told—the Canadian provinces get good results in PISA, so I do not think it is a very simple relationship. I would also argue that in this country, it has become less autonomous under the academies system. The 1988 Education Reform Act has generally survived well, and that did genuinely give more freedom to headteachers. I know I sound obsessed with academy chains, but within a chain, you do not get much autonomy. It is kind of like a pyramid going up to the sponsor and the board. The academies system is not necessarily about autonomy, or not simply about autonomy, anyway.

Finally, another way that we might perhaps not have real autonomy here can be seen by looking at things like the new national curriculum for primary. We talk about standing back and giving academies themselves the freedom to not follow that, but if you look at the way that it is policed, basically, you have got national tests that are being set up and holding schools to account in great detail about how they perform on those tests, with serious consequences for schools that do not do well. Schools cannot really get away from following the national curriculum, so do we really have an autonomous system now? I am not sure we do.

Q818 Mr Raab: Just moving onto accountability, we heard quite a lot of evidence from Andreas Schleicher about the key being autonomy coupled with rigorous inspection, and I just wondered—starting with you, Jay, given your experience of the charter school system in the US—when you look at the accountability mechanism in the US for charters, compared to British academies, what do you see as the pros and cons? What are the things we should learn from, and what are the things that we should not?

Jay Altman: I do not think, unfortunately, that there is a lot to learn from the US experience on this. You are much more sophisticated in your approach here. There is no inspectorate system overall. Different states have different forms of monitoring systems, but nothing even closely approaching the robustness of Ofsted; not even close. It is mainly based on a few metrics, primarily student achievement and often attendance and graduation rates. I do not actually think there is a lot to learn, other than it is worrisome, when I look across here, that one of the big changes since I have left has been the dropping

of the Key Stage Three exams. Waiting for five years with a cohort before having public and standardised results as to what students have achieved seems to me to be a risky proposition that is most likely to hit students in the more deprived areas, who you want to have more regular, transparent monitoring of progress for. I think that is the one area where there is such a big gap in the transparency of progress.

Q819 Mr Raab: Warwick, I just wanted to ask you: you talked a bit about autonomy there, and whether it was genuine or not. On the accountability side, if you had—based on your insights and experience—two or three key things that you would do to the current Ofsted framework to tweak it or improve it, what would they be?

Warwick Mansell: I am actually a fan of it going back in time, if you like: going back to pre-2006/2005 Ofsted inspections, where parents are actually given a long, detailed report on actually what was going on in the school. It was much more qualitative, with things like inspectors actually probing what was happening within individual subject departments in a secondary school and what options a pupil is offered. They had time to engage with parents, so they could actually have a meeting with parents, and survey the parents properly. They do not survey them properly at all now, and if they reached a view that differed with the parents, they would have to explain it to the parents. That is the main thing. It would be more expensive, I think; it was a more expensive system, but Ofsted is so influential to what goes on in schools that we have to get it right. If that means going into longer visits to schools, back to that, then we have to do it. You cannot be having these massive consequences for schools on the basis of one or two days' inspection of a secondary school.

Q820 Mr Raab: Thank you. Jay, go on.

Jay Altman: One other thing in front-end accountability, now that you have free schools and academies, is the authorising process. I do think there is a lot to learn, because there are 50 different states, of which 30-some or 40 have charter schools. We have seen better results where there are rigorous authorising mechanisms on the front end. Where there have been lax authorising mechanisms, you can predict that there will be a wide range of results, many of which are not favourable. Having that front-end authorising be rigorous is worth looking at.

Q821 Mr Raab: David, do you have a view on either the US or the Swedish experience of accountability? Also, in terms of the current regime, obviously, we are familiar with your substantive suggestions, but are there any tweaks that should be made?

Mr Blunkett: We are in a fluid situation in terms of how we translate the facilitation of accountability, because that is what Ofsted is. It facilitates holding to account the leadership team and what is happening in the school, rather than actually being the accountability itself. We are in a fluid situation, because I do not think we are clear whether it is a sponsor chain or an outside intervention that is holding the school to account, or whether we are allowing parents of the children to hold the school to account in a formal way, which is why I think that we need to examine how we strengthen governance of the school and the multi-academy trust where they exist at local level, so that there is proper training; there is proper follow-up; and the information that is provided

is not only readily available—which it is—but in a coherent form that people can understand.

Having chaired a governing body many years ago—because Sheffield pioneered individual governing bodies way back with Blackburn; so far back that it is in the mists of time now—we need to strengthen how those governance arrangements can be put in place. Again, from the National Governors' Association, we have got some good ideas, and we need to link those with the facilitation that comes from strengthening Ofsted. I have got a lot of time for what Warwick said about the nature of the Ofsted inspection and the report back to parents. In the end, in the private sector, who is it that the school think they are accounting to? Are they accounting to the person who is paying, the parent? I am not sure that we are clear who is being held to account by whom.

Q822 Mr Raab: Theodore, can I ask you to respond to the various things you have heard? In particular, do you still see improvements that can and should be made, prospectively, to the current Ofsted inspection regime? What tweaks or changes would you like to see, looking forward?

Theodore Agnew: We must remember that we are probably leading the world with that accountability framework, so I do not think that it needs a wholesale reform. Maybe one of the issues is that the vision that Mike Wilshaw has at the top of the organisation does not always translate to the front line. There is, perhaps, too much emphasis on the way teaching is being taught, rather than the outcomes of really good teaching. There needs to be a bit more nuancing around that.

Q823 Mr Raab: What about Warwick's suggestion about being more comprehensive? Teachers may not like that; unions may not like it, but what do you think about the idea that we should be delving and probing a little further?

Theodore Agnew: I think that we have other accountability measures. If we are talking specifically about multi-academy trusts, then that is the job of the board of the multi-academy trust, to challenge the performance of their individual schools. In terms of the governance, I accept Mr Blunkett's point on parents' involvement, but we have to be very careful not to conflate what I call accountability with representation. There are some parents who have the skills to sit on a board and really challenge the way a school is run; there are others who want to be part of the community of that school and be involved in the pastoral care, and so on; but I do not think we should conflate them. The governance structure of MATs now is that every school must have parent representation, but the actual hard-edged governance is held at the accountability level of the MAT.

The other thing I wanted to say on accountability, too, is around financial accountability of academies. There is an accountability a whole magnitude greater than has gone on in the previous local authority regime. In a local authority school, they are subject to a local authority financial audit, which can happen as infrequently as every four to six years, and the results are not published. There is total opacity around that, whereas in the academies, they have to file accounts that are audited by external auditors in the way that a limited company has to do, except that they have to file them within four months, rather than in nine months.

Chair: We may return to finances later.

Theodore Agnew: I do think we need to see everything in the round, but I accept that.

Q824 Mr Raab: Final one, just in terms of the schools in Birmingham that were recently put into special measures, with four of the five being academies: does anyone here have a view on accountability lessons that ought to be learned from that experience? David, can I ask you first?

Mr Blunkett: We are getting into the question of how you develop that locally. Having accepted the principle—as the Government has—of the regional commissioners, there has to be some oversight between the desk of the Secretary of State or the chief executive of the Education Funding Agency and the school itself. Are we getting into that, Chair? I am very happy to comment on it.

Q825 Mr Raab: I am not sure we are going directly to that. I wondered whether, specifically based on the facts of Birmingham, you would argue that it showed the accountability system working in practice, or the reverse.

Mr Blunkett: You could argue it either way.

Mr Raab: I wondered what you think.

Mr Blunkett: What happened in Birmingham is not a good example on which future policy should be built, for any of us.

Q826 Mr Raab: Why not?

Mr Blunkett: Because it was extremely muddled, and got confused with people's perceptions, which were not actually borne out in practice, were they?

Q827 Mr Raab: You think it was a bit of a storm in a teacup, from an accountability point of view?

Mr Blunkett: I think it raised some very important issues, and they need to be taken forward in a sensible and careful manner. But I think that local oversight of schools, whether they are academy or community, is absolutely crucial, and that is why the Government's arrangements—both bottom-up and top-down—really do matter. I believed that someone who had that direct responsibility at that level—in a city like Birmingham, it would have been an entity related to Birmingham—would have been very sensible. The problem that we have at the moment—let's not beat about the bush—is that many local authorities do not think they have powers. They do not use their scrutiny function adequately. They have not trained either their officers or their members to do that scrutiny function, even if they are scrutinising academies in those schools that belong to chains, and therefore they have almost given up the ghost on it. We have got to restore confidence to local authorities that they have a wider responsibility to parents and to children that they can exercise in a non-bureaucratic, non-dead hand way. If we got to that, we might actually have some sense in this.

Q828 Chair: This might be a good point at which to ask David to expand on his thoughts on the middle tier and school commissioners.

Mr Blunkett: Let us presume that there has been an acceptance, now, that there is something between the Secretary of State and the school. I do not accept that the regional commissioner role fulfils that function adequately. Take my own city of Sheffield: Jenny Bexon Smith has been appointed as the commissioner for a concocted region. I just want to tell you this, Chair, because I think this is really important. The local authorities that are covered in that region—and anybody who knows the geography of England well will appreciate why I want to read them out—are Barnsley, Derby, Derbyshire, Doncaster, East Riding, Hull, Leicester, Lincoln, North-East Lincolnshire, North Lincoln, Nottingham, Nottinghamshire, Rotherham, Rutland, Sheffield and York. Well, I think someone sat down and had a look at the A1 and the East Coast line and decided that the commissioner had responsibility each side of the A1 and the East Coast Main Line. It is just nonsense.

Had there been proper consultation about the regional commissioners, we might have reached a view—and it might not have been the one that I have put forward—where there would be a sufficient geographic entity coalescing to make sense of collaboration across borough boundaries, across county and city boundaries, and with sufficient identity to the locality for the individual, with a sufficient secretariat, to be able to have oversight and where necessary, intervene; not just on schools with a particular status, but for all schools in that area.

Q829 Chair: Would anyone like to respond to that? Theodore?

Theodore Agnew: I think this is the beginning of this process. The first two actually started yesterday, and their brief is to focus on underperforming academies in their regions. The regions are big, because there are not that many underperforming academies relative to the starts that they have got to look after. They are also responsible for developing new sponsors in those areas, so that is the starting point. For me, the most important element of this was that we found credible people who were outstanding educationalists in their own right, who commanded the respect of the educational communities that they will be working with, and that is where I would disagree with Mr Blunkett, who I think wants to have 80 or 150, or quite a lot of people. The brutal reality is that there are not enough people of that calibre in the system who want to take on that job, and we must build the credibility step by step.

Mr Blunkett: How do we know that?

Theodore Agnew: Because we have only got to look at the state of the system that we have. We have an educational system that on a world ranking, is slipping down the ladder.

Mr Blunkett: And we have not got 80 people of that calibre that we would be able to persuade to take on the role that is being described?

Theodore Agnew: I would think it would be highly unlikely.

Mr Blunkett: Well, that is pretty depressing, Chairman.

Theodore Agnew: But that is where we are.

Mr Blunkett: We had better do something about restoring and then building on a College of School Leadership, had we not?

Theodore Agnew: Yes, but we have had 140 DCSs, give or take, over the last however many years, and the problem with their briefs is that they are far too big. They are covering a huge mandate, which means that they cannot focus on the really important issues. The regional school commissioners are starting with a very small brief, yes; a very small team, but they will build on that, and it is an evolutionary process, rather as I was saying earlier about the funding agreements. We started with one 10 or 15 years ago, and gradually, through iterations, it has been adapted to reflect the situation that it faces. I see that happening with regional school commissioners. My worry would be that, rather like Ofsted, they get loaded up with another job to do, whereas I believe—and this is probably where I differ from Mr Blunkett—that the focus should be absolutely on the educational performance of the schools under their brief.

Mr Blunkett: But the directors of children's services—and I do touch on this in my own report—is a mixture of social work and education. It is an ill-defined role, and in some cases people are carrying it out extraordinary well against major challenges, but it has been refined down in many areas to safeguarding. I think there is a real issue that all parties need to address, in terms of how we progress from where we are at the moment.

Q830 Chair: Before I bring you in, Warwick: Theodore, you said it is an evolutionary process, so tell us where you hope or expect us to be in five or 10 years' time.

Theodore Agnew: Firstly, it depends on what happens with academies as a programme, and if all schools are to become academies—which is certainly debated—then I would see there being maybe 30 regional school commissioners. If they are looking after 22,000 schools compared to four, you can work out the numbers.

Mr Blunkett: We are half-way there, though. If we keep going until half past 11, Chair, we will be just about agreeing with each other.

Theodore Agnew: That is fantastic. Actually, what the system needs is a period of stability. It does need a period where teachers and members of the education community know what they are operating in. I think that is great. We will always argue about the level of intrusiveness a regional school commissioner has. I personally would rather that they were called pupil advocates, because they are there to represent the interests of the children. They are the ones who never get talked about, who do not have a vote, and they are the ones who this is all about. For me, that should be their job. The EFA currently have a range of responsibilities over things like appeals for excluded pupils and that kind of thing. Perhaps they could migrate into the commissioners' offices in due course, but what you could do is destroy the whole effectiveness by loading them up with far too much, far too quickly. I would like to see it done incrementally over the next five years or so.

Q831 Chair: Warwick?

Warwick Mansell: I do find this discussion astonishing in some ways, really. There is quite a difference of views between the two of you, and the most striking thing is that Mr Agnew has some very strong views about the problems that, for example, there might be going down the Labour route for a regional oversight system. The thing is, there has not been any debate about this. It has been developed entirely within the Department for Education. We have got people like Mr Agnew here who, let us face it, is a vested interest

in this situation. He is an academy sponsor himself, with serious influence over it. Where was the public debate? Where is the public in any of this?

In the new structure, we talk about representing children, but where is the public in terms of the monitoring of academies that is going to go on here? You have got regional schools commissioners appointed by the Secretary of State. You have got an elected headteacher board, who are acting as non-executive directors in this situation, but again, they are entirely headteachers, drawn from one sector that is going to be regulated. Where are the pupils and the parents in this? Where is the local taxpayer in it? It is just non-existent.

What has developed is a very top-down, paternalistic system; ironically, given that people within the Coalition Government surely should be about consumerism. You would think they would be trying to get the pupil and the parent very much to the fore, but it is not happening. This is a school-led system. Again, I come back to this issue: if a school is pushing out some of its students in its drive to raise results, so that they do not feature on its data, who is actually standing up for those pupils?

What you have in academies is a private contract between the sponsor and the Secretary of State. Mr Agnew talks about academy headteachers being held to account for their school's performance, but again, that is performance data. It is not actually saying, "Hold on a minute: some of these students might not have been served very well." Who is doing it? The local authorities, I think, did to it in the past to some extent in schools, but this has been taken out of the process. You have possibly got Ofsted, but they are not perfect, and you have got the DfE. I think the main objective is to push as many schools as possible into academy status; that is what they are about. They are not really looking for problems with the system. There is no independent check and balance on this.

Theodore Agnew: Let us just clarify this: the regional school commissioners are civil servants. They are appointed with all the civil service code, and so are accountable in all those ways. They will be supported by an advisory body called the Headteacher Board. To be elected to that board, you have to have been head of an outstanding school.

Q832 Chair: When are these elections happening?

Theodore Agnew: As we speak. We have had 164—I think it is—nominations for about 40 seats, so we are very pleased that we have had such good support.

Q833 Chair: That is four areas for each place. There are eight areas initially, is that right?

Theodore Agnew: Yes.

Q834 Chair: So what is the lowest ratio and the highest ratio?

Theodore Agnew: I do not have those figures.

Q835 Chair: Are there any areas where there were serious problems getting applicants.

Theodore Agnew: Not that I am aware of. I believe we have had over-application for each of the eight areas; actually, I would not call it an over-application. I can get you the figures.

Q836 Alex Cunningham: I am always loth to intervene in this fascinating conversation, Chairman, but I wanted to talk a little bit more about governance and leadership. The Academies Commission has said that good governance is an imperative in the system. Some people seem to be quite content that the academy trusts and the chains get on with it; others think we need more safeguards. How would you convince us that there are safeguards there, or do we actually need radical change, or just those nuances that Theodore mentioned? Warwick?

Warwick Mansell: If you look at some of the things that have gone wrong with individual academies, it often does seem to be coming back to governance. It is a bit risky going into individual cases without having the details in front of me, but the system does put a lot of weight on governance and give a lot of power, potentially, to governing bodies; and, actually, small numbers of people within the governing body. You have got governors and then you have directors of the academy trusts, and the director is the one that has really got the power. Some schools seem to have governors who are not directors, so then you have perhaps got a two-tier system going on. I am sure that if you looked through in detail at some of the problems, in some of the schools that have gone wrong, this is right at the heart of it. I do think governance is very important.

Q837 Alex Cunningham: Is it just a case of nuancing as far as governors are concerned, or do we need something a bit more substantial?

Theodore Agnew: I think we are getting there. Again, it has been an evolutionary process, but there is a very high level of accountability, and one of the jobs that I have had while overseeing the programme over the last 18 months is to ensure that officials are holding to account the boards of academy trusts, and those that are in the public domain have been given very explicit guidance on what they should be doing. We have used warning notices and financial notices to improve. You will have heard of this thing called a “ladder of intervention”, which has been developed by the EFA and the department. I do think that the next piece in the jigsaw is the regional commissioners, because they will be closer to the action. I know some will say that they are not close enough, because the regions are too big.

Q838 Alex Cunningham: I will come onto the regional commissioners with some specific questions, but would you support Michael Wilshaw’s call for the right to inspect academy chains?

Theodore Agnew: Yes, I think there is a bit of a myth around this.

Q839 Alex Cunningham: Is that “yes, you will support this”?

Theodore Agnew: No, I wanted to just clarify this, because he already does. He already has the right to, and indeed, officials have in some instances specifically requested that he does.

Q840 Alex Cunningham: But he does not think so himself, does he?

Theodore Agnew: The bit that he says he does not have the right to do is to go into the head office of an academy trust. That is the bit that he wants to do, where the debate exists.

Q841 Alex Cunningham: Why should we not let him do it?

Theodore Agnew: For me, it is a bit of a red herring, because the action is in the schools. If you go to 95% of academy trusts, the head office is literally a room a quarter of the size of this room. There is a lot of heat being directed at a part of the debate that actually is not important. He can go into any chain whenever he wants, and indeed, does. Further than that, the Department asks him to, and has done in certain instances.

Q842 Alex Cunningham: But he should not be looking at the head office books, then?

Chair: So he can go anywhere in the front line, but he cannot go to the control centre where the general sits? How does that make any sense?

Theodore Agnew: I am speaking from my own experience as a sponsor. We have an Ofsted inspection in one of our schools today. At the outset of the inspection, it is made very clear how the governance structure works, and I expect that the Ofsted inspector will speak to me; indeed, that is what she is doing as soon as this session is over. They have absolute access to everybody, and that is why I slightly wonder why everybody gets so worked up about this bit about going into the head office.

Q843 Alex Cunningham: We have a Chief Inspector who feels that he does not have the full access that you would describe. We have talked about the regional commissioners, and the rather narrow role that you have described, Theodore. I am concerned that it is only going to be looking at where there are problems, at converting other schools to academies. What about the overall accountability of all the other academies in the piece? There is nobody actually looking for them, unless they are troublesome.

Theodore Agnew: The programme is all about self-improvement. That is the whole point of this policy, which is empowering schools to take control of their own destiny. That is really where we start, and this links into the OECD evidence that that is how you get improvement. You are right: they are not going to interfere if everything is going well in a school. That should be the default setting. We do not want to be dissipating energy and interfering in schools that are doing a good job. They should be looking after themselves.

Q844 Alex Cunningham: Good local authorities have done that in the past. David, would you care to comment a little more on the regional commissioner stuff, and the possible need for all schools, whether academies or maintained schools, to have accountable ability frameworks in place to actually drive standards and improvement?

Mr Blunkett: I have said already—I will not repeat myself—that schools themselves have to drive from within. All the evidence is that if you can put mechanisms in place to support and monitor that, then it will work, but there is a presumption that a school can be left alone if its previous practice demonstrated outcome measures that meant that there

was not a problem. The difficulty with this is that many schools actually end up coasting rather than building on previous best.

We need a system that is light-tough enough to be able to spot when something is going wrong; when a school has started to coast; when there has been a change in results; and when there is evidence of this—including from parents, who should have rights to be able to raise issues—there should be a light-touch intervention. Intervention in inverse proportion to success is self-evidently the right way to do this, but the light-touch monitoring ensures that there can be a flagging of issues at a very early stage, rather than when things have gone severely wrong. That is where we come right back to the issue of atomisation, so that a school is not just floating in its own water: it is actually part of a programme of driving change and improvement, and we have seen—everyone in this room will have seen—schools that were doing extremely well at one point in time, and there has been a considerable deterioration that was not picked up soon enough. We know that from the inspections in Birmingham, do we not?

Q845 Neil Carmichael: We have heard from Mr Blunkett and from Mr Agnew that the schools in academy status are all about self-improvement and school-led innovation, absolutely rightly. The question that really arises, in the context of governance, is what kind of governance system we need to make sure that school improvement is a constant process; that innovation is always being promoted? Obviously, linked to that, there is this question of schools becoming less good and less ambitious. What kind of school governance do we need to ensure that, actually, there is a sense of responsibility within the school for dealing with various issues? In other words, what kind of governance do we actually need for the academy-status schools?

Theodore Agnew: Perhaps I could start. The point I probably should have made to Mr Cunningham is that there is also a national framework that is embedding an expectation of rising standards. We started with the last Government, where they introduced five A to Cs, and then we added Maths and English; we are now saying it should be an EBacc, so that we do not have too many equivalents, and then in 2016 we move to the Progress 8. All of that is lifting the standard; that is all going on, and the same in primaries this year, with the Key Stage Two going up another 5% to 65% and the Key Stage Four going up from 35% to 40%. That is the national framework that all schools are expected to work under. It is then the job of the boards of the academies to be challenging their schools, creating a framework, which ensures that they are reaching those standards or better. When they do not do that, that is when you need the intervention that we are talking about, but my very strong view is that if you are doing a decent job, you should be left to get on and do it.

Q846 Neil Carmichael: But what does a board, as you call them, look like, so we can be confident that that will be happening in most schools?

Chair: Jay?

Jay Altman: I missed one of the words. You said what does the “blank” look like?

Neil Carmichael: The board.

Jay Altman: The governing board? Well, when I first came over, the academies notion struck me as a little odd. We have charter schools that are mission-driven non-profits, for the most part; they have for-profit ones, but most of them are mission-driven non-profits, so I did not get the idea of the sponsor. But the epiphany that I had while I was here was that it creates alignment on a governing board. When that is lacking, you often do not have a drive for high expectations, and also you often have division on governing boards that is an impediment to schools getting better.

With the sponsor mechanism, when you have a school that is not performing well, the idea of having alignment around a direction and around high expectations is a helpful mechanism to have, and if you end up with just sort of a representative stakeholder governing board, that is often what many of these schools had prior to their becoming academies. That is why there is a big difference, as Theodore keeps saying, between the sponsor academies and the converter academies. Where you have a problem, it actually requires an organisation with alignment throughout the organisation. That is an important thing to keep in mind before you make any changes, because if you lose that, then potentially the school floats, or the divisions on the governing board end up becoming consuming for the organisation, rather than the needs of the school.

Q847 Neil Carmichael: So, in a sense, you are saying that in a chain of schools, you would want to see the governing body very closely aligned—as you put it—to the chain leadership and the chain structure.

Jay Altman: I do, and here is where Warwick and I probably have a philosophical disagreement. I think that the idea of autonomy of standardisation really varies. The goal is organisational effectiveness, whatever you define your goals to be for the organisation—whether achievement, student wellbeing, or whatever you define those to be—and there are many different recipes to do that, but there are characteristics of organisations that are effective and organisations that are not. Failing schools have more of those characteristics of organisations that are not, and successful schools have more of those of organisations that are. One of them is alignment, and it is not so much a matter of for which particular decisions you have autonomy or standardisation as the fact that it works for the people in that organisation, and it is clear: “Here is where you have autonomy.”

Q848 Chair: Warwick?

Warwick Mansell: It is an interesting analysis. Conceptually, I think the stakeholder model of governance is a good one, because it links to the local community. I think, actually, it was introduced under Margaret Thatcher in the 1980s, interestingly, but I wondered where is the pupil, and where is the parent, in this? You said it has to work for the organisation. Under the old system, there were certainly failing institutions, but I can point you to some disastrous situations that have emerged under this system where the parents do not think they have any real mechanism to say, “Look, we have not been served here. We are not being served here. My child is not being served.” They go to Ofsted, but Ofsted is not an investigatory organisation, as far as I can see. They go to the DfE, but it is so remote. They go to the academy sponsor, and it is kind of trying to regulate itself. Where is the parent and pupil interest here? I just do not see it.

Q849 Alex Cunningham: I would like to ask where a lot of the autonomy actually is in the system, particularly in relation to governors. Last week, we heard of the Aurora Trust with a school in the West Country being required to spend £100,000 a year on an American curriculum that Ofsted said was unfit for purpose. We hear of the AET chain wanting to let a contract worth hundreds of millions of pounds to provide support services, including many of the staff. Where is the autonomy in that for the local governors, if they are being dictated to about what they must do?

Chair: David first, if I may. You might want to answer the last question, as well. I do not know.

Mr Blunkett: I personally met the chief executive of AET recently about this, because there is a contradiction. In all systems, there are contradictions; in this particular framework, we have multiple contradictions about autonomy on the one hand and the determination of the Secretary of State on the other, whether it is on this issue or whether it is on what you should read and what particular form of phonics you should carry out. On governance, we have got to distinguish between the role of the governance body, whether it is multi-academy trust or whether it is an individual converter, in terms of holding the head to account and having expertise on the governing body and the governing framework that has the wherewithal to be able to do that, and representation—to pick up Theodore’s point earlier—from the community and the two-way process that that involves: the schools working out with parents as part of the community, as well as the community having an interest in parents having an interest in the school.

In my own report, I indicated that this is quite complex now, and we need a sensible dialogue about how we balance that—because, Chair, many converter academies actually have a self-fulfilling replacement function in terms of governance. Who appoints these people anymore? Who holds anyone who is on a governing body or a multi-academy trust to account for what they are doing in holding the head to account for what they are doing?

Q850 Chair: Theodore?

Theodore Agnew: Just to re-emphasise that the governing body is a sub-committee of the multi-academy trust. That is the legal structure, and there is a legal requirement that a multi-academy trust has at least two parent representatives for each of the schools that it has. That is embedded in the system. The challenge of the performance of those schools comes from the multi-academy trust; yes, you need to have the right people on it, and I would use the analogy of this being essentially a not-for-profit business, with the kind of governance structures that you would have in a business, but here we are looking to get outstanding educational outcomes for our children. It is not about the money.

Q851 Alex Cunningham: The governors and the headteachers within these schools have the responsibility to take the actions that they believe are necessary for their own set of particular circumstances. As we saw in the chartered schools in America, they are focused very much on their intake and the young people in their schools. How do we make sure that they actually have the ability and the authority to spend their budgets the way they wish, rather than have to look to some hierarchy elsewhere to make those decisions on their behalf?

Theodore Agnew: I will take you back to the beginning: a sponsored academy is a different animal to a converter, and a sponsored one has been a failing school, generally. I personally do not agree with you that a governing body or a senior leadership team that has driven a school into the ground should then decide on how it builds its way out again.

Q852 Alex Cunningham: Well, they are normally replaced, are they not?

Theodore Agnew: Yes, that is right, but they are replaced by the multi-academy trust, and so they will bring in a team that share the ethos of that trust in bringing about the school improvement.

Q853 Alex Cunningham: Last week, we also heard that the Sirius Academy had a sixth form that did not do A-levels, and the pupils did vocational-type activities, but we also found out that the local college—that just happens to be the sponsor—do do the A-levels. I wonder if I am being over-suspicious of the sponsor wanting to protect their own territory, and therefore dictating to their sponsored academy. Am I wide of the mark for thinking things like that? Am I over-suspicious?

Jay Altman: The potential challenge that you run into is that there are going to be thousands of permutations on different decisions, and as you figure out the right balance—as Mr Blunkett is proposing: “What is the right balance at this stage of the evolution of the system”—you have to ensure that in order to stave off potential problems, you do not make it harder to run good schools. What is the appropriate balance there on the monitoring? There are going to be people who make bad decisions that some of us find unacceptable.

Q854 Alex Cunningham: In this particular example, we have a successful academy that is doing very well, with an academic programme that they could continue through into a sixth-form college, but that is done somewhere else. That is done by their sponsor.

Jay Altman: That might be something that ends up getting flagged at some monitoring level, or not. It might be that that ends up producing better outcomes for young people. They may have more choice.

Q855 Chair: Theodore, would you comment on conflicts of interest?

Theodore Agnew: I do not know about this particular example. I am happy to look into it, but the comment that I would make is that they are in a MAT structure, and perhaps those children who did not get the five GCSEs and therefore were not considered academically able to do A-levels would go on and do the vocational courses in the school, and the ones who did better would go to the college.

Q856 Chair: Without getting into the specifics of that particular case—we are not going to sit in judgement on that—what about the potential for conflict of interest where you have got one academic institution sponsoring another, when conceivably they are in the same 16-to-19 market? I am sure everyone was as pure as the driven snow in this case, but potentially, could there be a conflict there, and what do you think we should put in place to manage it?

Theodore Agnew: If the geography is there, then in a situation like that—if there is a college sponsoring a local school, and the college has a strong A-level faculty—then it makes perfect sense. They are all in the same community.

Q857 Chair: So you do not think that there is a risk regarding the institutional interest of the one that is in the dominant position of sponsor? I mean, normally with trustees, you go to great lengths to ensure that they cannot put their own personal interests ahead of the interest of the organisation for which they are a trustee, and if they have put themselves in that position, they have to remove themselves from being a trustee. They cannot even remove themselves from a particular decision; they have to remove themselves completely. Do we have sufficient safeguards in this area?

Theodore Agnew: I think we do. I think that would come onto the radar of the regional school commissioners if there was an abuse of that.

Q858 Alex Cunningham: Should a sponsored academy have the right to remove themselves from that sponsorship if they believe it to be in the best interest of their students, David?

Mr Blunkett: I believe they should. It is highly complex, because the financial engagement of schools with their sponsor chain is in many instances one of compliance. People have received “loans”; their structures are bound in, but I think that over time, we will have to allow that to happen. A decision taken on the basis that it would be in the best interest to move either to an alternative sponsor, or to be free-standing, is in line with the ideology of a school running a school. We have got ourselves in a real pickle here where a school actually does feel that it is in their best interests and that of the pupils. This is for a school that is doing well; for a school that is failing, we should be looking at what the sponsor is doing in the first place anyway, but a school that is doing well should have that right or that autonomy that we keep preaching about.

Q859 Chair: Warwick, briefly?

Warwick Mansell: I am not sure that I have any view on that particular question as to whether they should or should not, but it should be public. There are all kinds of issues about the lack of transparency generally. They should take their decisions in public, with an explanation as to why they are doing this, and yet at the moment schools are being transferred within organisations according to back-office deals between Ministers and the sponsors, and nobody knows what is going on. What were the criteria?

Q860 Alex Cunningham: It is an interesting point, is it not, Chair? I mean, local education authorities used to have to sit in public, make their decisions and be accountable, and yet we now have people behind closed doors making the decisions.

Warwick Mansell: I have sat in on those meetings lots of times as a reporter in a local authority, and it is not going on at all here.

Q861 Chair: Theodore, are there sufficient pathways to train executive headteachers, and are the additional skills required to run multiple schools being provided for sufficiently within the system?

Theodore Agnew: Could I just answer Mr Cunningham's question? I think it is important.

Chair: Please do.

Theodore Agnew: We need to have a debate about it; I accept that, but bad schools must not just be able to break away because they are being subjected to a rigorous improvement plan.

Chair: We have consensus on that, then.

Q862 Alex Cunningham: What about good schools?

Theodore Agnew: For good schools, it comes back to what we started with at the beginning, about collaboration. If you have a chain of all failing schools, rather as somebody said earlier, you cannot just be put together with another failing school. You need some good schools in that community to lift them up, so I think we must be very careful about how we give the ability for good schools to leave.

Q863 Chair: What about the executive headteachers running multiple schools? You talked earlier about the insufficiency of people who could do the school commissioners' role. What about people running multiple schools? Do we have enough of them, and how do we get sufficient numbers?

Theodore Agnew: I do not want to dominate proceedings.

Mr Blunkett: Have a go, and I will have a go back.

Theodore Agnew: I think we have a particular problem with primary heads, and the economics of primary schools are going to drive us over the next 10 years to start to have executive heads over a cluster of primaries with a head of school in individual premises. That will have to happen. The good news is that we have a pipeline of people now who are being grown towards that: you have got people who have been heads of outstanding individual academies who go on to become a chief exec of five or 10 schools.

Q864 Chair: Is it a different skill set? If we get an outstanding leader of a primary school suddenly in charge of 10 schools, do they really have the skills required?

Theodore Agnew: You are dealing with human beings, in the same way that someone might be a wonderfully good backbencher but not a good Minister. It depends on individuals, but I am confident that we are now seeing a pipeline of people coming forward.

Chair: Thank you. We have got relatively limited time now.

Mr Blunkett: Can I just say that that is a great deal more optimistic than the issue of whether we can manage to create enough school commissioners.

Q865 Bill Esterson: We heard about the belief of everybody in schools and local authorities in Hull and elsewhere in the country in supporting all the children in that area. They talked about a shared moral duty towards children in the city when we were in Hull. Is

it inevitable that people in academies will have that view? Is that a universal view? Is that is what is being adopted right across the system? Theodore, perhaps you would start.

Theodore Agnew: I have probably met over 100 sponsors in the last 18 months, and that has been uniformly the view. That is why it is good that they are not for profit. What is the motivation, other than to create outstanding schools?

Q866 Chair: Just for the record: you do not think that we should have for-profit schools?

Theodore Agnew: No, I do not.

Q867 Bill Esterson: Sticking to the point about moral purpose, Warwick?

Warwick Mansell: It is kind of hard to know. You hope that people such as Theodore have got all the right motivations; that they are business people wanting to put something back. That is fair enough, but the less benign interpretation is that even if this is not a profit-making system at the moment, people are eyeing up this system as potentially profit-making in the future. Again, you are handing a lot of power to certain individuals who, potentially, could be right in on the ground floor for a more fully privatised system. Some of these organisations are already quite large: you are talking hundreds of millions of pounds' worth of public money that is being overseen by academy chiefs.

At the very least, as I say, we need transparency, and I do not think we are getting transparency at all in this system. We are not getting transparency about the criteria by which sponsors are selected. We are not getting transparency about what happens when a school transfers between sponsorship. We are not getting transparency around the free schools programme: why were certain organisations selected? The real conspiracy theorists' argument is that people who get close to Ministers are being preferred. I do not know if we are going to get onto conflicts of interest, but the fact is that Mr Agnew is himself an academy sponsor and yet is heading up an academies board within the DfE—where, again, the minutes are not published and are not transparent. You have Lord Nash, who is running his own academy chain as well, and yet supervising the entire academies policy.

Q868 Chair: Neither of them profit from their activity, though, do they?

Warwick Mansell: Not at the moment.

Theodore Agnew: Can I just go on the record here, Chairman, that I have no say in anything that goes on in Norfolk, which is where I have my chain? The guidelines were set when I first joined, and I even volunteered to leave the meetings where sponsor applications are discussed so that I could not be seen to dominate through passive-aggressive influence. I leave the room.

Chair: Raising an eyebrow?

Theodore Agnew: Indeed. I think we can get obsessed with this sort of thing. There is no profit there.

Q869 Chair: And no plans to have profit there?

Warwick Mansell: We have to take your word for that. We do not even see the minutes of the meetings to be able to check it.

Q870 Chair: On that one point, Theodore, why not publish? The greater the lack of transparency, the more the conspiracy theories will emerge and the more distrust and suspicion will grow, so why not bring the sunshine of transparency to bear?

Theodore Agnew: I am not familiar with the nuances of which public documents are published or not.

Q871 Chair: You are the senior non-executive director of the Department. Would you go from here and take an interest in that? It would make Warwick feel better.

Theodore Agnew: I am sure that if you made a request to the Permanent Secretary for any of that information, it would be forthcoming.

Mr Blunkett: I am still working on the concept of passive-aggressive influence. I am going to think about that for my future life, Chairman. Could I just say that there is an underlying issue here about whether we would ever move to for-profit from public funding of the state school system, and that is: do we know at the moment how much of the resource allocated for educating is being hived off for overhead non-educational management activity in sponsor chains? I put questions down, and the Government cannot answer that, whereas with the dedicated schools grant, it was possible to work out, even if we did not like it.

Pat Glass: We have asked for that several times, and not received it.

Chair: We are going to return to the subject of finances, if we get there.

Q872 Bill Esterson: David, you talked about your concerns about coasting schools. Birmingham, you have said, is a particular example, but is that a concern if you look at standalone academies?

Mr Blunkett: I used it as an example, because if two years ago a school was outstanding and then suddenly it is failing, there is obviously considerable necessity for light-touch continuing monitoring, which is collaborating with the Ofsted system. I just think that that is part of always driving, and building on previous best; in other words, a school is what it is at the moment, but it might not be in two years' time. Schools live on their reputation for a very long time. When they get a good reputation, it is amazing how people do not believe that the school can possibly deteriorate. It is more difficult the other way around.

Q873 Bill Esterson: The question I was going to go onto is whether it is in the interests of a standalone academy to have a commitment to all the children in the area.

Mr Blunkett: A commitment to all children in the area?

Bill Esterson: It is the moral purpose point.

Mr Blunkett: Yes, as it depends entirely on the moment on the view of the headteacher on what the moral purpose is. That is why we need proper governance structures.

Q874 Caroline Nokes: We heard last week that local authorities can play a really pivotal role in helping to establish partnership and co-operation between schools, and brokering effective deals. Do you think that successful partnerships are more likely to come about if they are facilitated by somebody outside the schools?

Chair: Jay?

Jay Altman: No.

Q875 Chair: No?

Caroline Nokes: Okay, a quick answer.

Warwick Mansell: The most striking example of this is when sponsorship is imposed on a particular community, with massive consultation responses against it. They do not either do not want academy status or do not want a particular sponsor, and yet this happens anyway. That is happening in quite a few schools.

Mr Blunkett: Caroline, at the risk of being clever-clever, if they are already doing it, they are doing it, and if they are not doing it, someone from outside has to help them do it.

Q876 Caroline Nokes: Going back to Warwick, we are specifically looking at converter academies; not sponsored ones, but converter ones.

Warwick Mansell: Sorry, could you remind me of the question?

Caroline Nokes: Do you think the converter academies can be helped to collaborate and work more effectively in partnership of an outside body, such as a local authority, steers them in the right direction?

Warwick Mansell: In theory, yes, although I think the reality is that the accountability system generally for all schools is so strong now—this is quite depressing—that because it is so high-stakes, and headteachers will lose their jobs if they are not getting good results for their own institutions, this will not happen unless you put it into the accountability system in some way. For example, unless you cannot get Ofsted “outstanding” unless you are working with schools, it is not going to happen.

Jay Altman: Can I respond to that? I think, though, that there are different forms of collaboration. There are professional networks that help your school do better, and programmatic networks that help you provided better services. People are incentivised; if you want to run a good school, you are incentivised to participate in those networks, just in the name of running a good school. The challenge with an outside agency coming in is that prescription or direction may conflict in its opportunity cost, in terms of your attention of energy, with what you think is the best form of collaboration, but there are many forms of collaboration that you are just naturally incentivised to do, because it helps you run better schools.

Q877 Caroline Nokes: Moving away from natural incentivisation, does the panel think that there are sufficient incentives in place to encourage, specifically, the converter academies to collaborate more, and can anyone produce any evidence that they are doing so?

Theodore Agnew: I do not see it as a high priority. I rather agree with Jay that these things have to come from the institutions.

Jay Altman: I do think that there are professional networks, such as Teaching Leaders and The Future Leaders, and there are youth services programmes that also facilitate people coming together.

Mr Blunkett: Collaboration should not be for its own sake. It should be to achieve a goal where there is a problem. I know, Chair, that you do not want to deal with admissions and things of that sort, but collaboration in terms of in-year influx into a community really does matter to the school. It matters to the performance and the running of the school, and so collaboration by converters with other schools in the area is an imperative, in my view, on issues of that sort.

Q878 Caroline Nokes: Does collaboration always have to be geographic?

Mr Blunkett: No, but it helps. Even all those years ago, when I was Education Secretary, we had the use of technology to link schools to schools. I think there are major possibilities still, with intranet as well as the wider internet, to do that, and I think there are possibilities between the private and public sector to do that, as well.

Q879 Caroline Nokes: Does anyone else on the panel want to comment on the importance of geographic clusters?

Theodore Agnew: I feel very strongly that geographic clusters are important. Particularly in a MAT, you create a whole career path for a young teacher who can come in as a newly-qualified teacher, start in one school, and then if they are ambitious, within three years you might have lost them, but you can then move them on through the system. You can bring up your future heads through your senior management team. There are tremendous opportunities. People are just waking up to that now, but when I extol the benefits of MATs to people, I personally consider them one of the most powerful levers for improvement and career challenge for teachers.

Q880 Chair: Do you think they make teaching more attractive?

Theodore Agnew: I do, yes. Absolutely.

Q881 Chair: If teacher quality is the key—which is about the only thing I am certain about in the world of education—then you have got to ask about any initiative, including the academies, “In what way will it attract more people, retain them, and get the best out of them than alternatives?” I am glad you brought it up, because otherwise we might have gone through the whole session without mentioning the most important thing.

Theodore Agnew: It is fundamental, and I see in my own trust numerous examples of this. We took a head of science from a secondary, made him a deputy head in a failing primary, and he came to me and he said that after three months, he had learned more about teaching than in the last 10 years. He is absolutely fired up by it. This stuff is happening all the time, and it is so powerful.

Warwick Mansell: Just on that, I would be interested to know why the Department seems to favour the multi-academy trust model over, for example, grouping schools through federations, including hard federations. I know that the National Governors Association is very much of the view that it should be up to schools and governors to decide which way to go, and cannot see the argument in favour of uniformly one or the other, and yet there seem to be financial incentives in the system for multi-academy trusts. The cynical answer is that the Government just wants as many academies as possible. That is its view of the success of the system.

Chair: I think we probably need to move on, Caroline, if that is alright.

Q882 Pat Glass: Can I ask you about the comparison between the academisation in this country, and what has happened with charter schools in the US, where there has been a much slower process, and over a much longer period of time? I think that New Orleans is the only city in the US that has gone wholesale for this. I did not go on the visit when the Select Committee went, but I am told that Mississippi has not, as a result, raced up the US league tables. Is there anything that you think that we can learn in this country from what happened with the rapid expansion of charter schools in New Orleans?

Jay Altman: I think the point was made earlier that your traditional schools in this country now have much more autonomy than a traditional school in the US. There is a significant difference there, but the difference is that the academies programme initially—not the conversions, but the sponsored—was a strategy to tackle long-standing underperformance by schools. I think it is a successful mechanism, and there is a difference: the charters in New Orleans were used for that purpose.

Q883 Pat Glass: So they are more like our sponsored academies?

Jay Altman: Why the sponsored academies?

Pat Glass: No, “they are more like our sponsored academies.”

Jay Altman: You can have the range. The difference is that you can have an entire range, so it is not just about failure. In New Orleans, it was mostly about underperformance, and the academic achievement in New Orleans has risen significantly since the schools converted; in fact, arguably at an unprecedented rate of improvement. However, the academies mechanism of changing the governance from just autonomy to having alignment on the governing board is a key difference, and in the US, that mechanism of having charters replace traditional schools that are underperforming is just now—you are right—very slowly starting to spread.

Q884 Pat Glass: In this country, we have seen a 2,000% increase in the number of academies in four years. In the US, it is threefold over 15 years. What are the potential consequences of such a rapid academisation in this country?

Warwick Mansell: You have to raise questions about some of the issues that we have discussed. Essentially, we have gone from a system where you had a local organisation to one which is basically based on a national organisation, a contract between the Secretary of State and the individual academy; obviously, in the sponsored academies’ case, it is a sponsored academy. The problem for me is that the whole system is being overseen by an

organisation that is just wanting to ramp up the numbers and sees that as its basic goal, whereas I think that the very least that should happen is that somebody should be saying, “Well, is it right for pupils in these schools, or for all pupils?”

We have not even had any detailed research carried out by the DfE about its own academies policy under this Government, as far as I know, and yet very high-stakes conversions are being forced on schools—particularly primary schools—without very detailed evidence on this. It is astonishing. My worst worry, as I say, is that if this system does become profit-making in the future, then potentially we have handed over hundreds of millions, if not billions, of pounds’ worth of state assets to individuals, essentially, with very few checks and balances. That is why I wonder.

Q885 Chair: What if it does not go to profit? If profit is not introduced, and we do not have profit-making schools, would you not have concerns?

Warwick Mansell: No, I would still have concerns. There are still issues like the fact that these organisations seem to be able to pay their chief executives very high salaries, up to £300,000. That is of concern as well.

Q886 Pat Glass: So, therefore, what we are saying is that there is the potential for losing local accountability, loss of transparency, and potential misuse of public funding?

Warwick Mansell: Absolutely.

Q887 Pat Glass: If this works—and we do not know yet; we have not got the research—and pupils’ outcomes are better, is that worth it?

Warwick Mansell: I do not know. It depends how you are measuring pupil outcomes.

Q888 Chair: The point was that if it makes it better, however you measure it, is it worth it? Are your values around democratic accountability and the parental role more important than the efficacy of the education provided to children?

Warwick Mansell: I think democracy is very important, yes.

Chair: So it trumps efficacy? Okay.

Q889 Mr Raab: Jay, I just wanted to take you back to the US experience of the charter schools, and I would like to ask if you agree with the evidence that we have heard: that they were particularly effective in helping disadvantaged urban communities. Do you agree with that, and if so, why do you think that was the case?

Jay Altman: Yes, but only when it was done with accountability. When they did the charters without accountability, there was no improvement. I think that is the case because, again, the governance structure that we have in the US around traditional districts—from an English perspective—is slightly anachronistic. It is highly centralised LEA control still, and people are taking it as the natural order of things that if you go to a comprehensive or open-admissions school in a highly deprived area, it is most likely not going to be a high-achieving school. People just see it as “that is the way it is”, rather than

saying, “Why not change the structure and see if changing the governance structure actually allows a better outcome?”

And, indeed, it has. It has broken up the monopoly of LEAs over education in deprived areas, and said, “You do not have a monopoly over this, and if you do not produce certain outcomes, then someone else is going to run the school.” This is only in New Orleans, by the way, and now it is starting to happen in Tennessee. The LEA does not have an unlimited remit to run the school if it does not produce those outcomes, and that is where this has worked, because there have been low-performing charters where there is accountability, and they are not allowed to continue performing. The charter gets revoked from them and given to someone else, and so it is not unlimited license to run a school if it is failing. I think that is why it has worked. I also think that it has unleashed enormous amounts of teacher and school leader ownership and entrepreneurial energy within schools.

Q890 Mr Raab: Thank you very much for that. There are two sorts of caricatures or generalisations about academies: that we have got academies for turnaround schools and trailblazing schools, those that are doing very well and could benefit from more autonomy, and those that really need to be turned around. Is there any reason why the same model works for both? Given what you have just described, does that model work for those that just need to be allowed the latitude to innovate and pioneer more, or should there be a different model?

Jay Altman: I do not know the answer to “Should there be a different model?” That would be an interesting discussion; I definitely do not know the answer to that. In terms of “Does it work?”, I think giving more autonomy to either schools or networks and then deciding on where the standardisation happens within the school or the network does work. It is creating the conditions that will allow people to do the most effective work, with whatever balancing you do with the concerns Warwick is raising about democracy and parent participation. I happen to think that you are really disserving people if the schools are not effective, so you want to create conditions that allow organisations to be effective, however you define that?

Q891 Chair: David, did you want to come in?

Mr Blunkett: No, I agree with that, which is why we introduced the system we did from 1999.

Chair: I will move on, Dominic, if I may?

Q892 Pat Glass: Can I ask you about the freedoms of academies, which we have heard time and again that very few academies are using? They have these freedoms, and they are not particularly using them, particularly in relation to curricula. But, if we have got freedoms, is a requirement to teach British values and evolution in the curriculum coming from on high the beginning of a slippery slope?

Theodore Agnew: We have to be careful of mission creep, but I think something as important as fundamental British values is a very important issue, and we should debate that. I am not going to get involved in the Birmingham debate today, because you have got the Secretary of State coming in in a couple of weeks’ time, but we really need to look

at ourselves very hard in the mirror. We are a very tolerant society, and we need to ensure that that tolerance is infused into our schools, so the next generation of children understand where we are coming from. I would be a very, very strong supporter of that.

Q893 Pat Glass: So why are academies not using the freedoms that they have been granted? We hear time and again that they do not, and in relation to SEN, the local authority puts on training and the academies all turn up. Why are they not using the freedoms that they have been granted?

Theodore Agnew: There is an increasing trend. Because it is so early in the programme, people are having to get used to these new freedoms. It does not happen overnight; if you take a set of crutches off somebody, they are not going to race up the stairs. These things happen slowly, which I think is a good thing. You mentioned that there has been this huge percentage increase, and it is right that they should take steps one at a time.

However, we have many, many examples of where they are doing things. I have got a couple here. On my patch in Norwich, a free school that opened in an early wave—and they are an academy—have introduced a 350-day school year. That has been a lifesaver if you are a single, working parent, to be able to have an institution where you can leave your child for the majority of the year. Would the state ever have come up with an idea like that? It just would not have happened. These things are happening. The Trinity Academy in Halifax have used performance-related pay to lift their five A to C percentage from 48% in 2010 to 72% last year. There are little pin-pricks of activity happening across the system, and it is really important to remember that and not become frustrated just because there is not this wholesale gallop. Renegotiating pay and conditions is a huge issue; it is a big deal, and some are starting to do it, but others will take longer.

Q894 Pat Glass: I have been around long enough to remember before the National Curriculum, when teachers taught pretty much what they liked, and there was chaos in the system. Students did not do well out of it. How far are you prepared to let schools go if they do take these freedoms? When do you step in and say, “No?”

Theodore Agnew: Academies, while they are not required to teach to the National Curriculum, have absolute requirements around maths, English, the sciences and so on, so those are embedded in the funding agreements of all academies. Of course, it is a matter for debate on how far you move either way.

Q895 Chair: Any thoughts on that, David?

Mr Blunkett: I think there is a tacit acknowledgement that there is a National Curriculum applied across schools: whether it is in the way that Theodore has just described with the funding agreement, or whether it is the outcome measures required as targets, or whether it is by the examining companies, in terms of the syllabi and the programmes of study. We should be honest about it and say that there should be a light-touch National Curriculum that provides an entitlement for all children, whichever school they go to, whatever the status, and they can innovate and be really creative on the back of that, so we are not preventing: we are enabling. I would think this, wouldn't I? But it is just such obvious common sense. I thought the Secretary of State had virtually agreed it last time, when we had the report back on Birmingham. Perhaps he will.

Q896 Alex Cunningham: We mentioned earlier about the cost and where the money was going. It is a huge difference in the proportion of academies' costs that actually go on support services. The Harris Federations spends 41% of their £170 million budget on such costs; ARK schools spent 32%; and Ormiston Academies Trust, 27%.

Chair: Sorry, Alex, can we stop for the bell?

Alex Cunningham: I will put the Ormiston figure back on record: 27%. What proportion is reasonable to spend on support costs? Should not economies of scale mean that there should be a lower proportion if you have got a larger organisation?

Chair: Jay?

Jay Altman: Whatever proportion allows you to provide the best education for young people, and that needs to be decided at the school. I would not presume. I think there are different recipes to develop great schools.

Q897 Alex Cunningham: 59% of £170 million? Is it okay to spend that? That is the only money that is allocated from that budget to teaching and learning.

Jay Altman: I cannot speak to the figures you are talking about, but one of the complexities of doing this particular analysis in the States is, due to the way their services are divided up, sometimes a service that is a support service is actually making the burden lighter on a school, because it is doing work where you would have traditionally said, "This is a direct service in a school." One, you have to be careful with the analysis, but two, it is whatever creates the best school for young people.

Q898 Alex Cunningham: That is interesting. David, you will remember the days when local authorities were required to delegate 98% of their budget to the school, headteacher and governors. That does not seem to be the case anymore. Somebody else seems to be managing the money.

Mr Blunkett: It was partly why we had both revenue and capital funding direct, in the end, to schools themselves. There needs to be complete transparency. I cannot at all see why people will not answer questions about the amount of money that is being held back for on-costs, as opposed to direct investment in the education process.

Alex Cunningham: I have been delighted to find in the last couple of weeks that academy trusts are actually subject to the freedom of information legislation, and I am looking forward to exploring that a bit further.

Mr Blunkett: Good luck.

Q899 Alex Cunningham: Can you offer us a view, please, Theodore?

Theodore Agnew: Yes, I think Harris is an astoundingly good educator. They have got 27 schools in London with waiting lists, and for me, the issue is about the outcome of the education. If they choose to deploy 40% to a particular part of their budget and get these fabulous outcomes, I think this is where government goes wrong: we should not be meddling from here down into individual schools across the country, saying "You are

spending too much on this and not enough on that.” They are producing outstanding education.

Q900 Alex Cunningham: But other trusts are doing likewise with a smaller proportion of on-costs. Surely, if one can do it—and they are much larger trusts than the other examples I gave—they could be doing even better, in fact.

Theodore Agnew: The interesting thing about Harris is they are probably the longest established chain. They evolved, originally, from the CTC movement, very early on in the Labour regime. They have been in this business for a long time, and that is one of the issues: we need to see evolution, but I just do not think it should be a matter for this Committee to be worrying about percentages of spend if the outcome is a good outcome.

Q901 Pat Glass: I think we disagree with you, Theodore. This is public money, and I am sorry, but there was a requirement for local authorities to delegate 98%. Schools would get together and agree to put some of that money back into local authorities, and I think that it is absolutely the job of this Committee to scrutinise that. I would suggest that it is also the job of the board that you are representing. This is public money. 41% is going on non-direct costs, and this is coming out of children’s education.

Theodore Agnew: Well, you say it is coming out of their education; it is going out of their education.

Siobhain McDonagh: I am really sorry—

Chair: I am not taking evidence from you.

Siobhain McDonagh: I have two Harris academies in my constituency, and they are worth every single penny they spent. The money was wasted on their predecessor schools, who did not do enough for their kids.

Pat Glass: This is not going on teaching.

Theodore Agnew: Let me give another example, then. The difference between the upper pay spine grade three and one is £12,000 a year. If you have a weak head and a weak governing body, they will have promoted weak teachers up these pay spines over the years, and they will be earning £15,000 a year more than they are possibly worth. You could say, “Well, that is great; we are putting all this money into teachers”, but if the teachers are not any good, why are we paying them all that money?

Q902 Pat Glass: So putting it into photocopying is a better idea? These are non-direct costs.

Theodore Agnew: There are life-changing outcomes going on in those schools.

Jay Altman: It might be into professional development.

Pat Glass: I keep coming back to the fact that this is public money, and we have a right to challenge it.

Jay Altman: I do agree on the transparency, completely. There should be total transparency on this, because then you can learn. Instead of saying, “Well, if Harris is getting good results, they should not spend 41%,” we maybe should be looking at the chains that are spending 10% and saying, “You actually need to be spending 31% more, and here are the things to spend it on.” It might be professional development. It might be more executive support for headteachers. It might be more operational services to take the load off the schools, so people are freed up for teaching and learning. There are many different ways to do this, but to start prescribing it will actually make it more difficult to run effective schools.

Alex Cunningham: I think we can accept that Harris are successful. There is no two ways about that, but the total lack of transparency in what they do with the money is important.

Jay Altman: The transparency is an issue, yes.

Alex Cunningham: There is a question as to what proportion of this 41% is going on high executive pay, rather than it being concentrated, perhaps, on—

Q903 Craig Whittaker: The only question that is left for me to ask is what incentives you think we should have, or whether you think there should be incentives, for academy chains to get economies of scale around centralised services.

Theodore Agnew: I could talk for hours about this.

Chair: We have about three minutes, tops.

Theodore Agnew: There is huge potential. Again, as Pat raised earlier, why are they not using all their freedoms yet? They are getting there, and I see this on a weekly basis. They are getting to grips with this, and huge innovations are starting to flow through the system. We will see that evolve over the next two years.

Mr Blunkett: Economies of scale make absolute sense, but they have to be balanced by the needs, desires and wishes of those who we have been talking about this morning who have the autonomy to run the school. That is why there has to be a really sensible balance, and why I hope that sponsors like AET will find that balance.

Chair: Can I thank all of you for a fascinating morning? If you have any further thoughts following this session, we would be delighted to hear from you, particularly around recommendations. That is the business end of what we do: making recommendations to government. If you have any thoughts on what should be in our report in due course, we would love to hear from you. Thank you.