



Education Committee

Oral evidence: [Role and responsibilities of the Secretary of State](#), HC 402

Wednesday 27 April 2016

Ordered by the House of Commons to be published on 27 April 2016.

[Watch the meeting](#)

Members present: Neil Carmichael (Chair), Lucy Allan, Ian Austin, Michelle Donelan, Marion Fellows, Suella Fernandes, Catherine McKinnell, Ian Mearns, Stephen Timms, William Wragg.

Questions 73 – 207

Witness: **Rt Hon Nicky Morgan MP**, Secretary of State for Education, gave evidence.

Q73 Chair: Welcome, Nicky, to this session. It is going to be about two hours long. We may have a division in the meantime, but we will come back and finish our two hours, hopefully. It is good to see you here. The purpose of this session is obviously to focus on the White Paper, but there are many, many other issues that your Department is dealing with that we want to ask questions about. I am going to start off by talking about “Educational Excellence Everywhere” the title of the White Paper. I am going to basically pose the question: it is an attractive goal, but where is the substance of the White Paper?

Nicky Morgan: Thank you very much indeed, Mr Chairman, for the opportunity to come and speak to the Committee about the White Paper, which, as you say, sets out a clear vision of the education system that we want to continue to pursue in the course of this Parliament and beyond. We start from the point of view that we want every child to have the best start in life and to fulfil their potential. You are also absolutely right to say that schools and what is happening in schools is only part of the work of the Department for Education. We may, of course, get into those wider issues, we have seen considerable successes so far, but I hope we are going to have a chance to explore the whole of the White Paper. There are eight chapters in it, only one of which talks about school structures, and yet that is clearly the one that everybody has particularly focused on.

We have the opportunity now to build a really strong, consistent education system across this country. The title of the White Paper was chosen very carefully, because we all want to see educational excellence, but the “everywhere” is for me, as I said before, non-negotiable. There is no point having strong pockets if there are other parts of the country and other children who are not getting the opportunities we want to see for all. The White

Paper sets out the scaffolding, the supported autonomy that we want all schools to enjoy, to get to the school-led, self-improving system that I think we have discussed before.

Obviously there is more evidence behind it. There are a lot more policies and it is building on what has happened over the course of the last six years. But I think probably at 123 pages, if we want people other than specialists to read this then it has enough detail in there. Of course there is more to come, partly because we want to work with the profession. A lot of what is in here is about the profession leading the way. I think that is incredibly important. What I see going on in the country is the best schools, the best leaders, and the best teachers stepping up and taking on those responsibilities already.

I do not think it is right that we would say we have all of the answers to the pressing issues, but this sets out exactly what we were being asked all the time, “Where is our school system or education system heading?” and then we can work together to make sure we get there.

Q74 Chair: It is a very wide-ranging White Paper, as you have said. At what point did you make the decision to have it so wide ranging, to probe all of these subjects and to set out the nine chapters as you have?

Nicky Morgan: We probably started talking about having a White Paper in the autumn of last year. I was delighted to be reappointed as the Secretary of State for education after the election. It was a huge opportunity to come back and, at the start of Parliament, reflect on where we were in the education system and where we wanted to take it.

The White Paper is wide because there is a lot in running a successful school system. It is not just about structures, it is about the people. We have had questions before about the quality of teaching. It is the single most important factor in terms of raising standards. But you cannot talk about great teaching without talking about great leadership, without talking about autonomy, without talking about funding, without talking about the reforms to the curriculum, and the role of the local authorities going forward. We talk about special needs and alternative provision as well, which are things that have not had much air time at all, which I think is rather regrettable, and much more besides. You have all those things. Everyone knows, running from one school to a number of schools, to any other organisation, you have to have a number of different policies all working together to build success in the system.

Q75 Chair: How did you go about securing support across the Government for this White Paper, and how did you incorporate the ideas not only from your own Department but presumably from others, because you do overlap with, for example, Business, Innovation and Skills?

Nicky Morgan: Yes, a lot of discussions. Obviously, I share a Minister with the Department for BIS in Nick Boles, the Skills Minister. So a lot of ministerial input, lots of talking to colleagues, obviously talking to the Prime Minister, the Chancellor, and the other Secretaries of State. Obviously, the Secretary of State for Justice is very, very interested in the area of alternative provision, the importance of that in terms of giving opportunities to young people who are often at risk of being disengaged from education. All of those ideas were built in, plus submissions. We get an awful lot of what we do—

what we set out in here—from school visits, from input to the Department and from members of the public.

Q76 Chair: You have certainly had some contributions from members of public direct, and no doubt through many Members of Parliament. Back in 2014 you told the predecessor of this Committee, “I am in the business of taking people with me”. How is that going?

Ian Mearns: Does that mean you are being chased with pitch forks or something?

Nicky Morgan: We have not had the pitch forks yet, but perhaps I should look outside the Committee room corridor when I leave. As I say, I have the opportunity as Secretary of State now to set out the vision of where we are headed. As I said in the House on Monday, I have the opportunity to build, with colleagues, with the profession, and with the sector, a strong, consistent education system, right the way across the country, where good schools are able to carry on being good and to take responsibility to build that system. The more I do this job the more I realise just how important that is.

We have secured funding from the Treasury, the autumn statement, and the Budget, and protected the schools’ budget for the course of this Parliament. It is right to set out now any changes. Any clear vision is always going to be met with some challenge, and there is a degree of challenge. There are many who absolutely support the academies programme but want to know how it is going to work for schools in their areas. There are undoubtedly some schools where it is challenging to be told, “We would like you to become an academy and, therefore, to spread what you are doing well across the system”.

But, surprisingly, I do get many e-mails of support from people and many conversations saying, “You are doing the right thing. Keep going”. As always, as we know as Members of Parliament, those who are against something will find it very easy to be vocal. Those who aren’t tend to—as they did at the Academies Show last week—come rushing after me when I speak and say, “We agree with you, but we are just going to tell you that privately”.

Q77 Chair: The gracious speech comes along on 18 May. How much of the White Paper do you think you will be translating into legislation as a result of the Queen’s Speech in this next session, and will that include, as the Prime Minister suggested this morning, the academies measures?

Nicky Morgan: Yes. I can never quite tell, and I don’t want to predict what is in the gracious speech and the level of detail, but we remain absolutely committed to raising standards for all students across the country. We can see from the successes from 2010—the 1.4 million more children in schools that are good or outstanding—that the academies model provides that vehicle for the profession and the system to take on and make those changes. Yes, we remain absolutely committed.

Q78 Lucy Allan: Secretary of State, I was quite surprised to find in the Budget that this proposal was given so much prominence. I wonder how you managed to persuade the Chancellor to include it in the Budget.

Nicky Morgan: The Chancellor, like the Prime Minister, like all of us, is passionate about education. There was also quite a lot of prominence for education in the autumn statement, and of course it is one of the areas that this Government have chosen to protect in terms of school spending. Therefore, I am delighted as Secretary of State if the Chancellor is supportive of measures and we are able to persuade him to invest. Education, I would argue, and I have argued in my spending settlements with the Treasury, is the greatest investment we can have in the future of this country.

Q79 Lucy Allan: I think specifically the surprise was around the compulsory academisation of all schools by 2022, and it was not trailed in advance. How committed are you to that proposal, or are you open minded about it?

Nicky Morgan: First, obviously it is a no-no to trail things from the Budget in advance, and there are people in the past who had to resign over those matters. There is always an element of surprise; having been a Treasury Minister I know that very well. I think it is really important that we do set out an end goal. The question we were getting from schools and from local authorities before publishing the White Paper was, “Do you want us to become academies?” As much as I can say “Yes”, having an end date and a goal of where we want to get to is important for the sector to know, but six years is a long time. As we know, six days in politics is a long time. We have given schools a lot of time to work out what is going to be the right route and method for them to become an academy.

Q80 Lucy Allan: Is the answer to that question that you are fully committed to all schools becoming academies by 2022?

Nicky Morgan: Yes. That is absolutely the Government’s position.

Q81 Lucy Allan: In terms of the cost of implementation, there has been a bit of a disagreement around that. Why is that?

Nicky Morgan: Why has there been a disagreement?

Lucy Allan: Why has there been so much disagreement around the cost of implementation?

Nicky Morgan: At the risk of being partisan, I think those who have decided that there is not enough funding missed the fact that there was funding in both the autumn statement and the Budget for these measures. We are also working on the basis of the historic costs of conversion. One of the things we have seen, as more schools convert, is that the cost of conversion has come down. There are efficiencies, obviously, in having more schools converting. We are much better now. We have more people who know exactly what they are doing in terms of tackling the issues, and it has brought the costs down. I think the wrong figures were used as the basis of saying there was not enough money.

Chair: We have four supplementaries, quite literally. William first.

Q82 William Wragg: Welcome, Secretary of State. I wonder whether you thought this White Paper might have been better if it was printed on green paper as a consultation, rather than as a statement of intent.

Nicky Morgan: We took the decision to have a White Paper for the reasons I have already set out, which is that people in the sector were asking us to be very clear about our vision, not just on school structures, but on all sorts of other things along the lines of teacher training and provision for different types of schools. There were local authorities on funding. I wanted the opportunity to set out and to reflect those conversations I had had and to be very clear with people about where we were headed.

Q83 Ian Austin: With only 55% of pupils getting five GCSEs, including English and maths, with our country moving down the international league tables, below not just South Korea and Finland but places like Estonia and the Czech Republic now, how do you define excellence? What does this mean? I think it is a sort of platitude. With you having been the Secretary of State now for a number of years and all of those pupils only getting those GCSEs, having been educated in secondary education entirely under this Government, I think it would be more accurate to describe it as complacency rather than excellence.

Nicky Morgan: I am afraid I would completely disagree with you there, Ian. I think we can obviously do better in terms of our results. One of the statistics I said at Cabinet was that we have a long tail of low attainment in this country, of under achievement. That is part of the reason why in the White Paper we talk about particular areas of the country. In the UK 17% of students failed to reach what we call modern functional literacy compared to just 11% in Canada. We still have a problem where our young people are not getting the right skills. They are not being educated.

Q84 Ian Austin: It is entrenched mediocrity, isn't it? My point is: what proportion of pupils do you think ought to be able to get five GCSEs, including English and maths? What proportion ought to be at that level?

Nicky Morgan: I think it is certainly higher than the average at the moment. We are seeing that particularly in some of the secondary converter academies it is 64%.

Q85 Ian Austin: Right. What is excellence, then? What will you define as excellent? What is it we are aiming for?

Nicky Morgan: I would define it in comparison with other international competitors, but also in terms of the feedback that we get from our employers as to whether young people are coming out with the skills that they need, with the subjects that they need, and with the attitude and the aptitude for work, as well as being more highly skilled in the absolute basics of English and maths. We have seen the recent OECD survey from 2012, where our young people were less literate and numerate than their grandparents. Until we have righted that I don't think the work of my Department will ever be done.

Q86 Ian Austin: That is the target for the end of this Parliament? You want the generation leaving school to be—

Nicky Morgan: We said we want to be top in Europe for reading, writing, and maths.

Chair: These are our supplementaries, so I am going to go straight over to Suella now.

Q87 Suella Fernandes: You have talked about consistency and a nationwide approach. The map on page 7 of the White Paper paints that picture starkly. Why do you think there are some areas that perform weakly, or do not perform very well? What is it about the policies in this White Paper that will redress that imbalance?

Nicky Morgan: As I say, I am delighted to be answering questions on this, because I think this is really important. These maps alone and the fact that we publish these maps; I would like to see a lot more discussion about them, a lot more local ownership. I agree with Sir Michael Wilshaw, who has said he wants local politicians and Members of Parliament to get much more involved in looking at what are the issues locally. Why are the standards not higher, if that is the case in the local area?

Inevitably, there are issues around recruitment. I think we all know that there are. Some of these areas will not be a surprise to people on this Committee or beyond. We know that some coastal areas can be a challenge. We know that recruitment can be challenging. Attracting good leaders to difficult schools is also tricky. That is why we talk about the Ofsted inspection holidays and giving leaders who are brave enough to step forward a chance to turn schools around. There was some interesting research from the Future Leaders Trust recently about parental aspirations.

Our Achieving Excellence areas that we talk about in here, are is about getting great teachers through the National Teaching Service, great leadership, and bringing in the local teaching school or brokering those relationships. I have also talked to the Committee before about things like character education and the opportunities for extra curricular activities as well. I was talking to the Sutton Trust, Sir Peter Lampl, just this morning, and at breakfast clubs, again, which the Chancellor has given more funding for. I think there are a variety of different reasons why there sometimes can be entrenched educational underperformance, and I think you need a variety of responses.

Another thing I should say is that different areas will require different responses. To say there is a checklist and a tick box approach would be wrong. The reason why it is important that good schools and outstanding schools are involved in all of this is because they have that expertise and they are able to design local solutions for particular problems.

Q88 Stephen Timms: I want to pick up what you were saying a minute ago about the costs of economisation. In November 2012 I think the National Audit Office criticised the Department for not initially having robust cost estimates for academisation. Does the Department now have robust estimates?

Nicky Morgan: Yes. We have worked our way through very carefully—and obviously in terms of negotiations with the Treasury—the amount of money that we think we need in terms of resource to fulfil our commitments and our intentions in here.

Q89 Stephen Timms: Would it be possible for the Committee to see those estimates of the costs?

Nicky Morgan: Obviously you can see what is public. I would have to go away and look. Obviously there is a certain amount of internal workings and pitches to be made to the Treasury, but if I can help the Committee with that information I certainly will.

Q90 Stephen Timms: I think that would be helpful. What is your estimate now? As you have said, there has been some partisan debate about this, but what is the Department's estimate of the overall cost of universal academisation between now and 2022?

Nicky Morgan: In the spending review, the budget, we have £500 million, and we consider that to be fully funded in terms of what we want to do to fulfil our intentions in here.

Q91 Stephen Timms: Are you saying that covers the whole cost of academisation?

Nicky Morgan: I think it depends on what you mean by "academisation", because there are grants beforehand and there are grants afterwards, and of course there are the national funding formula changes as well. In terms of getting to the place where schools are academies, yes, we consider that we are fully funded for that.

Q92 Stephen Timms: I think if the Committee could see whatever the Department can show us about those costs that would be helpful.

Nicky Morgan: I will certainly look into that.

Q93 Chair: Nicky, just before we move on to question number 3 with my colleague, hundreds of thousands of people have petitioned against this proposal, clearly focused on the specific area of academies. That will spark off a debate at some point, presumably, in this building. How will you tackle that?

Nicky Morgan: I think engaging and talking to people. To give you an extremely local example, I have had one of my own constituents e-mail me with the name of a local school in the title of the e-mail, and I have gone back to her and said, "You do realise that this school is an academy run by a head teacher who is in no way a supporter of my political persuasion, but who has said that she was resistant to becoming an academy head, and now she has done it she realises the freedoms that she has and she is taking full advantage of them." I think an awful lot of it is sometimes the fear of the unknown. I was asked a question recently about: would our school look different if it was an academy? No, of course not. The name on the door is not the thing that determines what goes on inside the building.

I think that engagement, talking to people about the role of the Regional Schools Commissioners in all of this as well, what happens at schools, how schools are working together, is hugely important. Of course all of us, whether we are parents, Members of Parliament or local councillors, are very conditioned and shaped by our own local experiences. If we have positive local experiences of our public service we will consider it to be good across the country. If we did not, then we would probably find ourselves being more sceptical.

Chair: Yes. It says 300,000 have signed the petition, just so you know.

Q94 Ian Mearns: Good afternoon, Secretary of State. Following on quickly from Stephen's question, do you envisage through this process a dramatic drop in the unit cost of converting schools into academies? That seems to be implicit.

Nicky Morgan: It already has in the course of the last four or five years by tens of thousands of pounds. Yes, clearly, the more we have schools becoming academies the more we are able to take efficiency scale. On the other hand, there is support available, generous support and continuing support available for schools becoming academies.

Q95 Ian Mearns: I have a long memory, and I seem to remember in a previous venture, which was a little bit similar in terms of schools converting to a different nature back in the early 1990s—grant-maintained status—there were significant regional variations in terms of the uptake of that programme. I think that is the same now with academies as well. Some schools have been converted because they had to be under the programme of the Labour Government that went until 2010, some were converted because of school failure, some have chosen to go in that direction, but 80% of primary schools up until now have not chosen to do so. Why do you think that is?

Nicky Morgan: I cannot answer for everybody, but when I go around and I ask people, I think a lot of it is fear of the unknown. There are strong relationships with local authorities and people are used to having that support. Again, you talked about inconsistencies across the country. We know that there are some local authorities that are very active and hands-on, offer very good support, but I also know from my conversations with schools that that does not happen everywhere. We also know that there are some local authorities that intervene swiftly in terms of underperformance, but there are many that do not and leave schools to languish for many years unchallenged. I personally think that is very, very wrong.

Particularly, if you are a small school there is also having to potentially have somebody like a business manager, or what they would consider to be the turbulence of conversion, which undoubtedly puts people off. One of the things we will work on is to make sure we can make the process as smooth and as simple as possible. That is why, talking to colleagues and to councillors, we sometimes see clusters of schools becoming academies together and working together in a formal relationship, because they are then able to share that experience, that employment of perhaps a business manager, and that negotiation of a funding agreement, and that is something that we welcome.

Q96 Ian Mearns: I am going to blow my own local authority's trumpet, because they are pretty good. In a place like Gateshead, how will this process dramatically improve the prospects of schools and pupils when 93% of all primary schools and nurseries are already good or outstanding and there are zero schools that require significant improvement? Why would you inflict a change of this proportion on a local authority like that, which is innocent in the process of failure that you just highlighted?

Nicky Morgan: I don't know all the ins and outs of Gateshead and the performance there. I don't think it is a question of inflicting anything on anybody. I think it is a question of offering people the opportunity to be autonomous and to run themselves.

Q97 Ian Mearns: So they can choose not to?

Nicky Morgan: The reason that I gave in the House on Monday is that if a school is good or outstanding we want it to support other schools. Just because schools in Gateshead may

be very good, there may be other schools in the nearby areas that could benefit from having the support of a good or outstanding school.

Q98 Ian Mearns: I think that the schools in Gateshead already work in very strong partnership with each other and with the local authority school improvement team. They are already doing that on a broad scale.

Nicky Morgan: It is not just about Gateshead, it is about the surrounding areas. I am afraid to say my geography is not good enough to know whether there are schools, perhaps on your border areas or elsewhere, that are not so strong that could benefit. One of the things with the local authorities, the current system that we have, is that we are not seeing school support crossing boundaries. That is what I mean about building a strong, consistent system.

If what I am hearing about Gateshead is right then that is obviously to be welcomed. But the point is there is no point having good schools in Gateshead if next door the schools are not good enough and could benefit from that collaboration.

Q99 Ian Mearns: With respect, Secretary of State, the school improvement team in Gateshead are already working across boundaries, as are the head teachers and specialist staff in different schools there. They are already doing that. But very few schools—I think only five out of 68 primary schools—have chosen the academy route to do that. Why make wholesale changes when that exact effect that you want to bring about is already occurring?

Nicky Morgan: For the reasons I have talked about. I was just looking at the example in Gateshead, so Cardinal Hume Catholic School, which obviously converted to academy status in February 2012.

Ian Mearns: Yes, the head teacher told me that you had asked them about this.

Nicky Morgan: It says in my note they supported and helped many other local schools: for example, St Wilfrid's Roman Catholic College shortly after it was placed in special measures and St Robert of Newminster in 2013. Both are obviously now thriving. For the reason that across geographic boundaries we also know that school performance can go up and down.

Ian Mearns: St Robert's is in an adjoining authority.

Nicky Morgan: Absolutely. Exactly. Let me make one final point, which is about having a dual system. At the moment in the Department we are funding schools directly as academies, but also via local authorities. We have two pots of capital funding, for example, and two systems of accountability in terms of Regional Schools Commissioners and local authorities responsible for school improvement. The opportunity to make sure we have more taxpayers' money going directly to schools and to classrooms is, again, not something that I can choose to ignore if I want to build a strong and consistent system.

Q100 Ian Mearns: In paragraph 1.17 of the White Paper you state that, "There is rarely one, standardised solution that will work in every classroom for Government to impose". Why then do you believe that there is one standardised solution that will work for

every school? In 2014 you told us that you were “not really a forcing type of person”. What has changed?

Nicky Morgan: What has changed is that I see the opportunity to build this very strong, consistent system, and I see that there are parts of the country where the educational performance is just not yet good enough. We have that opportunity to have a consistent system where good and outstanding schools, leaders and others, are supporting each other.

In the past we have had a one-size-fits-all system—local authorities—where schools have been often restricted to geographic boundaries. They have only had one school improvement service that they have been able to purchase. What we see now is an opportunity for schools to be standalone converters, to have sponsors, to be multi-academy trusts, to set up multi-academy trusts, or to set up free schools. We have a lot more choice. There at the frontline we have the autonomy where school leaders and teachers are able to make choices about the curriculums, about the pay, about working with other schools, about all those changes, where we can see that that responsibility does well for the results and continues to raise standards.

We cannot stand still. We are never going to get to a stage where we will be able to sit back and say, “Education is sorted”, because we always know that our young people have to compete. The world of work has changed. They are going to have to compete with the best in this country and the best in the world. Those needs, as we see just in technical and professional education, change every decade and every half a decade.

Q101 Ian Mearns: One last quick point. The schools in Gateshead are already working in partnership, but I understand they have been told that if they try to establish multi-academy trusts between themselves with the fingerprint of the local authority anywhere near it, it will not be allowed.

Nicky Morgan: We have been very clear in the White Paper that we know that there are very talented individuals in local authorities already working in school improvement and in other areas. There is absolutely nothing to stop those individuals leaving the local authority—it could be a group of them—and setting up, again, having that choice, the schools working together as a cluster and making the choice that is right for them.

Q102 Ian Mearns: You are confirming that if the local authorities’ fingerprints are on a multi-academy trust application it would not be allowed?

Nicky Morgan: Obviously this is a White Paper, and you will imagine lots of local authorities and councillors have very strong views on what it is. But we are absolutely open to the opportunities offered by those working in local authorities with schools to set up trusts. Of course, we also see across the country lots of local authorities who want to set up companies, school improvement companies, services companies, to carry on doing what they are doing, but to offer those opportunities to a number of different schools. Again, that is something absolutely to be welcomed.

Q103 Ian Austin: I have a couple of points I want to ask. First, you have absolutely no mandate for this at all, have you? Your manifesto said that you would turn every failing or coasting secondary school into an academy, but it said absolutely nothing about every school, primary schools and all of this. If this is such a good idea, why was it not in the manifesto?

Nicky Morgan: What the manifesto did talk about was raising standards for all, and that is what we believe this will do. That is our statement of intent. This is about raising standards for all and building a stronger school system.

Q104 Ian Austin: But this was just a few months after the election and you did not say you were going to do this during the campaign. It is the opposite of what was in the manifesto.

Nicky Morgan: It is not the opposite, because we are building on—

Ian Austin: It is.

Nicky Morgan: No, it is not the opposite, because we have already passed a Bill on failing and coasting schools.

Q105 Ian Austin: Why was it not in the manifesto?

Nicky Morgan: Because the opportunity to stand back, to pass the legislation on failing and coasting schools, to really drill down into what is going to build the strongest school system is what is in the White Paper.

Ian Austin: Why was it not in the manifesto?

Nicky Morgan: Because we have looked at the failing and coasting schools, looked at the numbers, looked at the finances. This is the opportunity to build a stronger system.

Q106 Ian Austin: I am obviously not going to get an answer to that. Can you tell me, of the schools that your Department is currently supporting as academies, how many are rated Inadequate or Require Improvement?

Nicky Morgan: I think there is something like 120. In terms of academies, in the last figures we have, as at 31 March from Ofsted, there are 113 that are rated as inadequate.

Q107 Ian Austin: There are 776 academies across the country. That is nearly one in five that are rated Inadequate or Require Improvement. They have been in those bottom categories for an average of two years and seven months, entirely under your period as Secretary of State; 270 have been in the bottom categories for three or more years. So the idea that your Department is capable of driving school improvement in the academies that currently exist, let alone every school in the country, is total garbage, isn't it?

Nicky Morgan: No. First, let me correct a couple of factual inaccuracies. I have not been Secretary of State yet for more than two years. So thank you for appointing me earlier, but I think Mr Gove would be a little upset if he thought I had been shadowing him while he had been Secretary of State for Education.

Ian Austin: That is not the central point I was making.

Nicky Morgan: Of course, what has changed in that period has been the appointment and the starting of the Regional Schools Commissioners, who started their work in September 2014. That has turbocharged the serving of notices and the changing of sponsors. I would just point out, I think in terms of percentages—it is all very well to bandy numbers

around—in either category comparing academies and maintained schools it is almost the same. Academies are the vehicle that will allow that innovation.

Q108 Ian Austin: But if it is almost the same, then I think that is a central point that your critics are making, which is that there is no relationship between whether a school is an academy or a maintained school and the standards in the school. There is none at all. Some of the schools most stubbornly resistant to improvement have been academies. Given the number of academies that have been in special measures for so long, how can parents have any confidence that you and your Department are capable of turning this around?

Nicky Morgan: Because they can see that 1.4 million more children in schools are rated good or outstanding since 2010. They can see the education standards rising. I should also point out that, in the course of the last Parliament, the first set of schools to become academies and those that continue are ones with absolutely entrenched underperformance from local authorities for years. That is why your party started the sponsored academies programme. So the number that you have quoted does not break down between sponsored and converter academies. The Prime Minister has been very clear. Two weeks on the trot, your leader has asked the same questions and we have pointed out: 88% of converter academies are rated Good or Outstanding. To lump in those numbers, both sponsored academies, which are the ones most in need of turning around and improvement, and converter academies, is not to tell the whole story.

Q109 Stephen Timms: Can I pick up that statistical point, the 88%? It is the case, isn't it, that not all of those converter academies were Good or Outstanding when they converted, because that was a condition for conversion? Only 88% of them are now; that has gone backwards, hasn't it?

Nicky Morgan: But what we can see is that there are schools that come in and go out of category. We know that, as local Members of Parliament. We know that there are going to be years when there are going to be strong results and strong leadership, but this is about building a consistently strong system right the way across the country.

Q110 Stephen Timms: I think they have gone backwards; the 12% have gone backwards.

Nicky Morgan: But there probably is another set of percentages that have come up.

Chair: We are going to have to speed up a little bit because we are not going to get through all the issues we want to get through. Suella, you want to talk about school-led and improvement.

Q111 Suella Fernandes: Yes. The White Paper, at paragraph 1.27, says that, “We believe in a school-led system not as an end in itself but because it is the best way to deliver the best outcomes for children and young people”. What evidence is there to support that belief?

Nicky Morgan: There are two main sources of evidence and of course there are lots of different things. I think at the heart of this matter is our belief that autonomy—the ability of schools to make the right decisions for them—absolutely drives the lifting of standards and the flexibilities and the freedoms.

There is PISA evidence. Let me just find it. A PISA focus study from 2011 that concluded—and I am going to quote—“It is a combination of several autonomy and accountability policies, not just a single, isolated policy, that is related to better student outcomes”. That is what I mean when I talk about that ability to look at the curriculum, to reflect pay and conditions, and to reward those teachers, for example, who are doing outstanding work and continue to drive up the standards. Also, to work with other schools and to think about the right improvement services for those schools, rather than just have one monopoly provider. In 2009 PISA noted that pupils in schools with higher autonomy than average in allocating their resources, for example, accompanied by accountability, tend to score higher on the PISA reading tests than those in schools with less autonomy.

There is another study by McKinsey from 2010 that analysed 20 education systems around the world, all with improving but differing levels of performance. They examined how each has achieved significant, sustained and widespread gains in student outcomes as measured by international and national assessments. The main finding is that a key requisite in moving a school system from great to excellent is to move the locus of improvement from the centre to the schools.

Q112 Suella Fernandes: Looking at my constituency in Hampshire, which is an authority that performs well, and where the majority of primary schools are maintained and perform generally very well, what would you say is the benefit from the White Paper for those primary schools that do perform well?

Nicky Morgan: I do think that the best people to run schools are the people right at the frontline—the heads, the teachers and the governors. Schools can be doing very well, but the question is, and that is one of the measures we see with coasting, could they be doing even better, given the children they have, given the work that they are able to do. I don’t think anyone should ever be complacent and say, “We have it all cracked”, so there is the autonomy.

I also go back to the point that good and outstanding schools can support other schools nearby. There may very well be schools in neighbouring authorities or elsewhere that could do well and of course that cross-phase. I think that is one of the things that we have not explored. There are a number of multi-academy trusts now, for example, which have secondary and primary. They might also have a special school in the trust as well. That ability to share resources is hugely important. Smaller schools might find it difficult to recruit a specialist teacher or a specialist back office person; to be able to share that load of the pay is something that absolutely increases the educational experience of the children.

Q113 Chair: Nicky, one of the objectives of reforming education must be to improve social mobility, but John Goldthorpe of Oxford University does not think that structural changes help. What are your thoughts and what evidence do you have that this tranche of reform will deliver those changes that are so needed?

Nicky Morgan: I have just read out the quotes on autonomy. I am not going to read them out again. I think the Committee have probably heard them and people can read them. It is not just about structural change. That is the point about the White Paper; one chapter talks about structural change. Seven chapters talk about all the other things that drive great education. As you say and I said on my first day of appointment, “Education is the great

life transformer”. If you have a good or great education you are set up for life if you get those basics nailed down. If you don’t, it is not impossible to recover, but life is undoubtedly more of a challenge. Our focus in these Achieving Excellence areas is—I want it to be—a big driver of social mobility to reflect the one nation Government that we are.

Q114 Michelle Donelan: The White Paper talks about the retention of expertise, but it says that there is the expectation that “some individuals working in local authority teams will set up new trusts or join existing ones”. My concern is that that is purely an expectation and there isn’t a framework or a procedure to make it happen at all. A number of primary schools, in particular, up and down the country, are rated good or outstanding in my own constituency. Two-thirds of the primary schools are local authority controlled and a majority of them are Good or Outstanding, including Frogwell and many others. We touched on this before, but is there no thinking now that what we could do is accept, yes, we need one framework, accept that, yes, academies is the best approach, therefore we will allow local authorities to be academy trusts and we can synergise the two, which would probably be very popular among the public?

Nicky Morgan: Obviously it is a White Paper. I am talking to lots of people, including councillors and the LGA, as well as Members of Parliament, and, as the Chairman has intimated, getting lots of e-mails from members of the public. I know this is something that local authorities have looked at. I know that Camden has, for example, and Hertfordshire is setting up a school improvement service company, and I am sure that there are others around the country. In terms of setting up or becoming a sponsor, it would be obviously the same process as other sponsors go through. You apply to be a sponsor. That goes to the Regional Schools Commissioner and the Head Teacher Board. They will obviously look at things like the capacity for school improvement, any experience that you have, what you intend to offer. People will be approved from local authorities in the same way. We have talented individuals in our local authorities. Why would we not want them as individuals to work with us, work with schools they know, to set up those clusters?

Q115 Michelle Donelan: You are saying, in principle, as long as it is working within one framework that could be a way forward.

Nicky Morgan: The thinking behind the White Paper is to make sure there is one framework. We don’t want to have dual systems in this country. We make it very clear in here that individuals from local authorities could work with other people from other local authorities to set up cluster schools based on their experience.

Q116 Michelle Donelan: Yes. I get the point about individuals, but local authorities themselves could do it in principle and still work within one framework?

Nicky Morgan: The law at the moment does not permit that. So the law at the moment—

Q117 Michelle Donelan: Is that something that you are open to?

Nicky Morgan: People have talked about it. At the end of the day, we don’t want to replicate what we have at the moment in areas where we know we need to see improvement.

Q118 Michelle Donelan: I think I am trying to drill down whether you are actively engaging in those conversations or the Department is, because I know the wider world is and we are, as a Committee, but I want to see whether it is something that you are considering.

Nicky Morgan: It is something that has been raised with me and with other Ministers and with officials, definitely.

Q119 Michelle Donelan: Thank you. The other point that I want to make as well is that there has been some talk that, if we continue with the current situation that we have, eventually we will get to the stage where local authorities are in charge of, say, one or two or a couple of schools that will become inefficient and expensive. When do you see that point being reached and was that one of the deciding factors of setting the 2022 deadline?

Nicky Morgan: We haven't in terms of trajectories. We are talking about 75% of secondary schools and a third of primary schools if we do nothing else apart from waiting for people to convert voluntarily—those schools that need to have sponsors and those that are failing or coasting. What did exercise us, thinking about the White Paper, was: what does happen when there is a local authority with just a handful of schools left? Will the local authority have the ability, the finances, to offer the school improvement or support services that that handful of schools would need? I don't want schools to be left behind. Then they would not have much of a choice about what they were doing. That is why we are setting out the six years, 2022 being the point when there is a cut-off for viability because it would depend on the speed of conversion. We know that we have lots and lots of schools coming through applying for funding agreements and academy orders all of the time.

Q120 Michelle Donelan: Then lastly, under your proposals local authorities will retain responsibilities for ensuring that every child has a school place. What powers will they have to do that over academies?

Nicky Morgan: They will have the powers they have at the moment, which is about working with them in collaboration. What is interesting is talking to local authorities. They obviously have powers to direct over maintained schools. They very rarely use them. It is all done in terms of working with, collaboration, looking at the capacity and the willingness of schools to expand. Something else that I know that local authorities have said is, "We need to be sure that we will have the ability to do that". But working together, I think almost everybody working in the education system wants the best and to be able to provide for local children. In my experience, people work together to make sure that happens, particularly in relation to school places.

Q121 Catherine McKinnell: I don't feel very reassured by the answer that you have given. I will give you a very real example. In Newcastle, and largely in my constituency, they have plans to build some 21,000 homes across the city, many of them in my area. Under your plans Newcastle City Council will be legally responsible for ensuring school places, yet it will not have the powers to force schools to expand nor will it necessarily have the ability to get the investment in order to enable schools to expand or to build new schools. I don't understand what reassurance you are giving to local authorities that they will be able to fill the duty that is going to be placed upon them.

Nicky Morgan: I have talked about it and obviously there is a lot of it already. Local authorities very rarely use their directive powers over maintained schools to compel them to expand. The other big policy response is to commission new schools and to bring a new school into the area, and there may very well be with 21,000 homes. Obviously, I don't know where those homes are planned for, but I know in my area, when you have a significant housing estate being built, a new school as part of that development is definitely one of the ways to go so that is where you bring in a free school.

Q122 Catherine McKinnell: Who is going to commission that?

Nicky Morgan: The local authority.

Q123 Chair: Can I test that a little bit because we produced a report on Regional Schools Commissioners and they are going to have some responsibility here as well, so how is that going to work?

Nicky Morgan: I don't quite follow the question. I am sorry, Mr Chairman.

Chair: The Regional Schools Commissioners are sponsoring new schools, responsible for the academy system.

Nicky Morgan: Yes, for conversion absolutely and they will also be helping to advise. Of course they will advise in terms of free school applications on the places, whether there is capacity, over-capacity, under-capacity in the local area.

Q124 Chair: If we imagine a situation in 2022, when all schools are academies and Regional Schools Commissioners have been beefed up to deal with that number of schools, which is many thousands, what are the local authorities going to be doing at that point in connection with thinking about new schools and their relationship with Regional Schools Commissioners?

Nicky Morgan: Regional Schools Commissioners are building good relations with local authorities. In some areas that has happened more quickly than others, undoubtedly, but I think under the leadership of Sir David Carter, the new National Schools Commissioner—who I know will be very happy to come and give evidence to the Committee about that—there will be that relationship. We do state in the paper that local authorities will be able to commission and bring in new free schools to identify that there is a need. As I said in my speech launching the White Paper, in the same way that local authorities are responsible or have an interest in economic growth in their local areas, they do not build the businesses but they will say, “We need to attract new businesses in to the area or to think about new infrastructure”. That is exactly the same in terms of a new free school. So working with the Regional Schools Commissioner, who will obviously then be asked: is there a need for a new free school? What is the capacity? What is the over-capacity in this area?

Q125 Chair: We were going to talk about Regional Schools Commissioners later, but there is an obvious question there, and that is: what do you think the Regional Schools Commissioners will need to do to make sure that the local authorities in his or her areas are effectively delivering the extra schools or the new schools that might be anticipated?

Nicky Morgan: Well, partly Regional Schools Commissioners and obviously partly the Department. At the moment we keep a very, very close eye on the number of new places being created in any local authority area because obviously we have an overview across the country. Local authorities will work with each other in a particular area or region. So we will continue with that relationship and that working together. At the end of the day, we all want the same thing, which is that there are sufficient places. In terms of funding now, we recognise those authorities who do take decisions.

I should say, under the previous Government, local authorities were told not to have spare places; in fact, they were told to take them out of the system because they would not be funded. That is not something that we do.

Q126 Marion Fellows: Thank you, Secretary of State. I don't have the practical experience of the English education system of the other members of the Committee. As you are well aware, it is an entirely different situation in Scotland. So, when I was involved in the launch of our Holocaust Education Report, I was quite surprised to find out on that morning that not every school in England was required to undertake Holocaust education for their students because academies do not have to follow the national curriculum. I notice in the White Paper that you are going to move the whole idea of a national curriculum from a decree to a benchmark. So my question is: what research has your Department conducted on any differences between schools able to exercise curriculum freedom and those required to follow the national curriculum?

Nicky Morgan: I cannot point you to a specific research report. But to address your first comment, I would be very surprised if there are any mainstream academies that are not teaching about the Holocaust because it is such an important part of history, an important part of the curriculum, and it ties in wider issues around tolerance and diversity.

You are absolutely right to say the national curriculum will be a benchmark but, in my experience, academies teach over and above the national curriculum. In fact, they use it as a minimum and teach far more. I would point to the example of the fantastic Lings Primary School—I went to Northampton last week—who have built Shakespeare into their curriculum from reception right up to Year 6. That is not in the national curriculum, but those children were some of the most eloquent. This is a school with 55% free school meals.

Q127 Marion Fellows: I think it is something to do with my international observer status—I do love that phrase—but I find it quite difficult to grasp the concept that there will not be a national system almost that the national curriculum could give you. However, I am going to park that because the Chair is not going to let me continue in that vein.

In the run-up to making all schools academies in 2022, will you be making any changes to the requirement for local authority maintained schools to follow the national curriculum?

Nicky Morgan: I am not planning on making any changes. I think we have more than enough on our plate. We have had a lot of curriculum changes already. I would just point out that the idea of having a national curriculum is, if not new, only several decades old and obviously that is something. I think it is important that one of the key freedoms—and I go back to the point I was making before about autonomy—that we see is that curriculum,

the innovation that makes schools different. Again I would push back on this concept of a one-size-fits-all model. What is so wonderful about my visits across the country is just how different schools are and, despite the fact they are doing basically the same thing, how they inspire pupils in totally different ways.

Q128 Marion Fellows: I find that very interesting. I still don't see how you can guarantee if everyone is teaching different areas, perhaps, that you can get a national education in England.

Nicky Morgan: Obviously we have Ofsted inspections and things like teaching the broad and balanced curriculum is very important but, at the end of the day, schools will be submitting children for national tests or assessments at key stages, obviously at primary but also at GCSE—if that is what they choose to do—and A-levels. So it is at that point they test. To be honest with you, we are focused on outcomes. As a Government we want to see children doing well when they get to being formally assessed or formally tested, but I am not going to carry on telling people that they cannot innovate in the curriculum in the meantime.

Marion Fellows: Thank you.

Q129 William Wragg: PSHE is linked to the curriculum. Would you consider PSHE as an essential part of a broad and balanced curriculum?

Nicky Morgan: Yes.

Q130 William Wragg: We took evidence earlier in the Committee's history from your mental health champion, Natasha Devon, and she said you were in favour of PSHE being made statutory and that it was only financial considerations at the root of it that were stopping it from being made statutory. Is that true?

Nicky Morgan: No. That is not correct. I think it is a very important subject but, as I have been very clear when I have been asked this question in the House and elsewhere, just because something is statutory does not mean that it is taught well. PSHE is one of those subjects that need to be taught well by confident people, because you can tackle some very tricky issues, but issues that young people need to hear about. So I think the most important thing is that there is a good curriculum. That is why we have a group of head teachers and others in the Department who are working with us, and with the PSHE Association, to look at exactly what we think should be there. It is not prescribed, in the sense that I do think that this is one of those areas where schools absolutely should be able to teach the right thing for their local community in their local area.

Q131 William Wragg: Absolutely, taking the age appropriateness and adequate sensitivities as well, but obviously that has been statutory. Would you consider making it statutory once training has been improved? You want it delivered by people who are highly competent in the area. Would you then consider it to be a statutory provision?

Nicky Morgan: I think when I wrote back to the Committees—it was this Committee and three others, and I am afraid I am going to forget who the other three were, but the Chairman might be able to help me out with that—I think I said we would keep it under review.

William Wragg: Thank you.

Chair: It was BIS, Home Affairs, myself and the Health chairman.

Nicky Morgan: Thank you.

Chair: We did exchange letters more than once on this subject and we do disagree about it.

Nicky Morgan: We do.

Q132 Chair: We will be pressing this point through our Purpose of Education Inquiry because you mentioned character before as a key part of education excellence and so on. We think that PSHE is part of that; not the only part but a key part. We also think that, given the way we are seeing sexting and all of the rest, we should be mindful of the importance of PSHE.

Nicky Morgan: I think that is one of the reasons for keeping PSHE up to date as well, because the demands on young people change and can change very quickly particularly as we have seen with the rise or the development of new technologies.

Chair: Yes.

Q133 Ian Mearns: Can I suggest a very simple research job for the DfE? We do have this mixed economy of schools at the moment, and possibly if you could get someone in the DfE to analyse what is happening in terms of PSHE between maintained schools and the academies and see who is doing it broadly more effectively at the moment?

Nicky Morgan: I strongly suspect that is something that our group of leaders will be looking at. One of the things absolutely is to see what is happening on the ground.

Q134 Ian Mearns: During our inquiry we got some evidence to say that the DfE had contacted schools by e-mail, and several months after sending the e-mail the majority of schools had not even opened the e-mail about PSHE, with the guidance from the Department. One would hope that, following on from our inquiry and your very strong words, and welcome words, about PSHE, that we would see some movement on that.

Nicky Morgan: I said in the letter that we would keep it under review. I do also want to make sure that we take the advice of experts to make sure we get what is on the PSHE curriculum right, age appropriate, and to make sure that we also have those who are confident about teaching it.

Q135 Chair: Did this question of PSHE get to Cabinet level and at what point do you think that it was knocked on the head as a statutory part of the curriculum?

Nicky Morgan: I obviously cannot speculate about anything that happened before I joined the Cabinet two years ago, but I cannot remember it being discussed in Cabinet.

Q136 Catherine McKinnell: Earlier this month the Government announced that baseline assessments of four year-olds will no longer be used to measure progress and hold primary schools to account. How do you plan to monitor progress in primary schools in the future?

Nicky Morgan: We have always been very clear that we were going to use the Key Stage 1 assessments as the baseline for progress measures until at least 2021 and that we are committed to measuring the progress of pupils. I don't think it is a surprise because there are lots of different views across the sector. There are those who favour baseline. There are those who favour some form of school readiness test, whether that is at the end of the Early Years Foundation Stage, and those who favour using Key Stage 1. We are committed to the measurement of progress. I think that is important.

Q137 Catherine McKinnell: I have also been contacted by teachers from across my local area about what they see as the very shambolic way the new Key Stage 1 and Key Stage 2 assessment arrangements have been handled by your Department. They have described them as being chaotic, and that they have caused significant extra workload on top of existing workloads and a lot of stress. I think they would like me to ask: why has this process been handled so badly by your Department?

Nicky Morgan: I would not agree that it has been handled badly except, of course, for the error in publishing the Key Stage 1 test online, for which I apologised unreservedly in the House on Monday. We continue the discussions with the Standards and Testing Agency, but it was a human error of confusion between sample and live test data, which is extremely regrettable given how hard everyone had worked to prepare for the tests.

But in the wider issue of Key Stage 1 and Key Stage 2 tests, we have started. We announced the changes in March 2014, so that is two years ago. We published sample materials in summer last year and the framework for assessment in the summer of last year, and we carried on publishing example materials. As with all of these things, because people are very busy, however much notice we give there is always going to be a crunch term when new assessments come into force, in the same way as new GCSE or A-level specifications. What I would say to your teachers and to teachers across the country in primary, is that I realise that this year has been particularly challenging. This is always a busy term anyway, but there have been a lot of changes in the curriculum. I think they are necessary changes. I think it is right that we get it absolutely right at Key Stage 1 and Key Stage 2, and get those basics nailed, then we can track the progress from children who do well at Key Stage 2, for example, right the way through to GCSE. It is important, but I appreciate that anything you do about raising the bar and changing things is going to be very challenging to those working at the frontline.

Q138 Catherine McKinnell: It is not just teachers that are concerned about how the process has been handled, it is parents as well. There are parents out on strike today in my region who are concerned. There seems to be a weakening of confidence in the Department for Education and I think the accounting issues that have also come to light, which I know we will touch on, seem to add to this sense that there is not absolute competence within the Department in handling these changes. Is it potentially to do with the ever-expanding workload in relation to academisation that is affecting the Department's ability to deliver on

its commitments? Therefore does that not raise concerns about a sped-up academisation process causing more chaos in the future?

Nicky Morgan: No. I am afraid, Catherine, we have shadowed each other and we have got on well, but I completely disagree with you on all of those points that you have just raised. We are increasing the resource in terms of schools becoming academies. That is extremely clear, both in money but also in terms of personnel. I have been very clear with the Committee and with the House that what happened in the Key Stage 1 test was a human error. Mistakes unfortunately do happen. We are reliant on humans to administer the tests and to deal with the data. I am extremely sorry that what happened did happen.

In terms of the accounts, it is not just a question of them coming to light because I think this Committee has previously questioned the Permanent Secretary, Chris Wormald—who is just moving to the Department of Health, obviously—about the issue of our accounts. This is something that has been going on for a couple of years. There is now agreement with Parliament as to how future accounts, Department and academies, are to be managed. There is no question that in either set of accounts there are mistakes or errors in those individual accounts, the Department or the academies. It is the combination of the two that leads to a technical accounting problem, which has led to the adverse opinion. We would accept that this is going to go on for one more year. We would expect the same opinion next year just because of the nature of the accounting treatment of those two sets of accounts.

Q139 Catherine McKinnell: Going back to the testing regime, which really is the focus of what I am asking about, I am conveying the concerns that are being expressed by teachers and parents that obviously I share because they are shared with me.

Nicky Morgan: Of course.

Q140 Catherine McKinnell: Another very genuine concern that has been expressed by a number of parents is the implications of the testing regime, both at primary and at secondary level, for pupils with special educational needs and indeed the Government's compliance with the Equality Act in terms of the impact that some of the new spelling and grammar requirements have on pupils with special educational needs. I wonder what consideration the Department has given to that to make sure that they are not put at a specific disadvantage as a result of the new focus on spelling and grammar.

Nicky Morgan: We think very hard and take advice on how we can support those with special educational needs in terms of new tests at primary, but also at GCSE, for example. I know from having to deal with a constituency query about GCSE that equalities impacts were undertaken by Ofqual.

Obviously, there is additional support available. We set out in guidance what additional support should be made available to those children with special educational needs. I also think it is right that overall we obviously, as I say, are raising the bar. That is also why we are looking at a progress measure rather than looking at hard attainment data. In terms of measuring a school's performance, it is right to look at the progress that pupils make in primary school and then secondary school.

Edward Timpson and I and other members take the responsibility for children with special education needs extremely seriously. It is part of the White Paper as well, in terms of

being highlighted. There is more we would like to do, a lot more, to make sure that children with special educational needs are given the best possible educational experience that they can have. It is a great shame so far that that has not been picked up.

Q141 Chair: Okay, Nicky. Just some questions on women and equalities, because of course you are Minister for that Department as well. You will know that the Select Committee for Women and Equalities is looking into sexual harassment and violence in schools. It is highly relevant to this Committee. The report by the charity Fixers does not make good reading. What are your thoughts about the contents of that report? Do you have any sort of strategy to respond to it?

Nicky Morgan: It is very concerning. Obviously the Women and Equalities Select Committee just launched their investigation. In due course they will read the evidence that is submitted to them and the recommendations as well. Perhaps it partly ties in with the discussion we were just having about PSHE, but also with cultural leadership. It goes back to a central part of our White Paper, which is about having good, strong leaders in the system.

There are issues of behaviour as well and supporting children who feel the need, if something happens, to make disclosures and whether they have confidence in doing that. It is about getting the right culture in a school, setting very clear expectations that this behaviour is unacceptable. In the same way as the school should be a safe space for discussing and experiencing new ideas, schools should be physically safe spaces as well, for both pupils and teachers.

Q142 Chair: Yes. The report does draw attention to the pressures of young people generally and also the impact that harassment and bullying has on their school life. It also goes on to suggest that some teachers may brush off incidents of sexual assaults or sexually threatening behaviour. That is about the culture of a school as much as the absence of PSHE, if that is the case. Do you have any thoughts on how that might be tackled beyond what the Select Committee for Women and Equalities might say?

Nicky Morgan: We obviously already fund anti-bullying charities. The Department has a fund for voluntary community sector organisations, and part of that money has gone to dealing with bullying. We have also set aside £3 million to tackle LGBT bullying as well, which is very important.

When I go to schools, I ask about incidents. At schools where there are none, I will say, "What do you do? What is it about this school?" The head will usually say to me, "We set a very clear anti-tolerance policy that everybody subscribes to from the top downwards". The governors are aware of it, the head, the teachers and the pupils. I know at one of the schools I went to, Caludon Castle near Coventry, we were talking particularly about LGBT bullying or potential bullying, where they were a Stonewall champion school and they had very clearly set out mechanisms for children to report concerns, which were taken very seriously. Parents, pupils and others have an expectation that if they report any harassment or bullying, it will be dealt with very seriously.

Chair: Thank you. Ian, you are going to be talking about teachers. I have one or two supplementaries, as well, to this line of questioning.

Q143 Ian Austin: What do you think has the biggest impact on how well a pupil does? Do you think it is the quality of the teaching or the legal framework of the school?

Nicky Morgan: I already said earlier this afternoon that it is the quality of the teaching.

Q144 Ian Austin: If it is the quality of the teaching, would it not make more sense to concentrate on doing everything possible to raise the quality of teaching and leadership in schools, not this hugely bureaucratic restructuring?

Nicky Morgan: As I have also said earlier on this afternoon, the whole thing about the White Paper is that it all fits together. One of the things we know, in terms of recruiting really good teachers, is that understandably teachers are going to be more reluctant to go to a school that is not well run and where the results are not good, unless they are incentivised or brought in specifically through something like the National Teaching Service. That is why it is a shame that only one part of the White Paper is being examined, because it all fits together. A school with autonomy that is able to reward highly performing staff helps to recruit those staff because it has strong leadership. Therefore, you have funding consistently across the country. All those things fit together. As Secretary of State for Education—the Chairman captured this when he said the Department did an awful lot—I cannot look at one thing in isolation. I have to look at how the whole thing fits together.

Q145 Ian Austin: I think the problem people have is that there are high-performing maintained schools and high-performing academies, and there are poor-performing maintained schools and poorly performing academies. It has nothing to do with the school structure; it is all about the leadership and the standard of teaching. That is not affected by the status of the school. That is the problem that people have with your proposals.

Nicky Morgan: I would push back on that because I would say one of the things we talk about in here is growing. We have just talked about the importance of really good leadership in schools. It is important in setting the culture, but it is also important for recruiting. We all know this. If you go for a job interview and there is an inspirational leader, you want to go and work for them. If there is somebody you are not so sure about, you may go and find another job.

Q146 Ian Austin: What research do you have about the quality of leadership in academies in comparison with maintained schools? What evidence is there for that—that there are more inspirational leaders in academies?

Nicky Morgan: I have not said that.

Q147 Ian Austin: That is exactly what you just said.

Nicky Morgan: No, I have not.

Q148 Ian Austin: You said the reason academies will be able to attract highly-skilled teachers is because they have inspirational leaders. I am asking you what the correlation is between a school's status and the level of inspirational leadership.

Nicky Morgan: I did not say that. What I said was that we know that inspirational leadership is important in recruiting good teaching staff. What I was going to go on to say before I was interrupted was that we see in multi-academy trusts, for example, the opportunity for teachers to develop into great leaders. They are able to often work not just in one school but across several schools and to progress.

One of the reasons we think multi-academy trusts are very important—not exclusive but important—in the system is that career progression. We know that there are talented teachers potentially coming in via schemes like Teach First who will be classroom teachers for a number of years, then want to be a head of department and then to move on. We also see—and we talk about this in the White Paper—the profession coming forward to develop its own leadership accreditation and training courses. It is something we absolutely welcome. It is really important that we support that as the Government but that the profession takes ownership of that.

Q149 Ian Austin: What is your response to Michael Wilshaw’s proposals about a new College of Leadership at the University of Buckingham?

Nicky Morgan: That and other initiatives are absolutely welcomed. I know that ASCL, for example, is also involved in talking about leadership schemes as well. That is, again, very important.

Q150 Ian Austin: Given the cost of your academy proposals, what confidence can we have that such a National College will be adequately resourced? People like Michael Wilshaw, the Sutton Trust and everyone else in education apart from you says that the single biggest thing you can do to drive up school standards is boost the quality of teaching.

Nicky Morgan: Perhaps I am not making myself clear or you are not listening to the answers. Forgive me; I have said very clearly that the single most important thing in terms of driving up standards is the quality of teaching. I have also then gone on to talk about how the wider school structure, leadership, recruitment, retention and training are all part of one system in terms of driving up standards.

Yes, of course, we have already said, for example, that we will give some initial funding to the College of Teaching. It is very important that that is profession-led. We would do the same with other schemes as well that come forward.

Q151 Ian Austin: How much are you going to put into it? You are going to put £1 billion into this bureaucratic reorganisation that you have admitted yourself is going to have less of an impact on school improvement in our country. How much are you going to put into the National College for Teaching and Leadership?

Nicky Morgan: I cannot give you a number. There is probably a number in the autumn statement. It is not the National College. That is a different thing.

Q152 Ian Austin: Roughly. Is it single millions, 10s of millions?

Nicky Morgan: I am afraid honestly I cannot. If officials behind me have a figure that we had in the agreement with the Treasury for the course of this Parliament, then I am sure they will remind me before the end of this hearing.

Q153 Chair: Can you drop us a line with it?

Nicky Morgan: If I don't have the figure, Mr Chairman, before the end of the hearing I certainly will do.

Q154 Chair: That would be great. Thank you. Just before I ask three people to ask supplementaries, what about the College of Teaching, the fledgling college, that is already in place? What are your thoughts about that and what are your ambitions for it?

Nicky Morgan: My thoughts are that it is absolutely to be welcomed. Teaching is one of the last professions, I think, or the last that does not have its own college. What are my intentions? My intentions are to support it, but I should not have any intentions because the whole point is for it to be profession-led. We will support it. We have set aside and given it some initial funding to support it, but I know that there are some really strong people who are behind it and they are the right people to take it forward.

One of the things that we talk about in here is the profession being evidence-based. Obviously, we have things like the Education Endowment Foundation, and many other organisations, coming up with some great evidence on what works in a whole range of different areas. We talked about potentially the college producing its own education journal. Again, that is very important in terms of the sharing of best practice but also the continuing professional development that we see in other professions.

Chair: Thank you. Catherine?

Q155 Catherine McKinnell: In my region there is clear evidence that schools face a real uphill battle in recruiting teachers. Nearly three-quarters of head teachers report that they expect to find recruiting teachers more difficult in the years to come. Therefore, there is a very legitimate question to be asked about why the Department should focus on and expect schools to focus on restructuring their schools, rather than on the teacher recruitment crisis that we know is very real. Your own figures will demonstrate that as well.

Nicky Morgan: It goes back to the answer I have just given, which is that you cannot focus on one bit of the system. I need to focus on both making sure we have great teachers—

Q156 Catherine McKinnell: There is no evidence that changing schools into academies will improve leadership and, therefore, there is no evidence that it will assist with the teacher recruitment crisis.

Nicky Morgan: I disagree with that. In schools that take on being autonomous, take on responsibility and take on those freedoms, absolutely we do see great leaders, not just working in their school but working in other schools as well. That does make a difference in terms of recruitment for the very reasons I have suggested. Teachers will want to work with great leaders and with great organisations in which they can see a clear career path and progression, basically.

Just to go back to your initial comment about recruitment, we absolutely realise that there are challenges to recruitment in parts of the country in certain subjects. We have the largest number of teachers ever, but we need more. We have tens of thousands of

graduates and others who are registering interest at the moment in training to be teachers from September. That is fantastic. We would never say enough is enough, particularly in those subjects for which it is hardest to recruit, which we know have been the hardest for a number of years. It is very encouraging this year. There are some subjects, areas like primary, where we have been ahead in the last couple of years. We are particularly focusing things like bursaries, obviously, on those harder-to-reach areas. I do not have it in front of me, but the TES Global recruitment survey is very interesting in terms of breaking down the recruitment challenges of different regions of the country and showing how it changes year on year. It is not the same. It does not mean that those who are involved in recruitment do not find there are challenges. We know they do.

Q157 Suella Fernandes: Could you say a bit more about how the National Teaching Service is going to plug some of these gaps?

Nicky Morgan: That is, again, really important. That is about getting great teachers to parts of the county that do find it difficult to recruit. We have said we will start in the north-west this September with 100 teachers. We have had the first application round. We are currently midway through the second application round at the moment.

It is also important that we offer clear incentives for people to move and to pursue professional development. If teachers have stepped up to the plate to work in a challenging environment, that should be recognised in terms of their future careers. In the same way, if you are a leader and you take on a challenging school that should be recognised, not penalised. The aim is to get to 1,500 teachers who can be deployed across the country. Not all but I suspect many of them will end up working in these Achieving Excellence areas because those are the areas where we know it is hardest and there is not necessarily the capacity to improve the quality of teaching.

Q158 Suella Fernandes: On this reference you make to Achieving Excellence areas, there is some description of them but how do you see that playing out in the real world?

Nicky Morgan: Obviously, we have to finalise this. We have put on our website the model or the criteria. We have worked out the maps and the underlying information, but we very much welcome challenge from those who have other information they want to submit. Interestingly, I have had a number of Members of Parliament who have suggested that they would like their area to be an Achieving Excellence area.

As I said before, we do not think there is a one-size-fits-all, but I think it will be things like getting teaching schools to support national leaders of education and potentially national leaders of Government, and getting other schemes in as well. It is also about the area itself recognising that there is a problem. This is not about naming and shaming but about saying, "Okay, we know there is a problem in this area. There has been for a while. What can we do, working together?" We see, for example, that Blackpool already has a challenge board. That is exactly the sort of thing that we want to see happening.

Q159 Ian Mearns: If I can make a quick observation, Secretary of State, I know that you are very passionate and you believe in this deeply, but we keep asking for evidence. A string of anecdotes or single examples is not evidence from the perspective of trying to change the whole system of schools. I would just make that observation.

The other thing is about this plan that Michael Wilshaw has. I have a great deal of respect for Michael Wilshaw. He has been an interesting and effective Chief Inspector, but he is putting forward a proposal in which he quite clearly has a personal interest. He is in negotiations with a particular educational institution in Buckingham. I would caution, Secretary of State, is Buckingham the right place? I don't know. Would Sir Michael Wilshaw be the right person to head up such a venture? I don't know. It is an interesting venture; maybe the DfE would want to think about setting something up rather than allowing the Chief Inspector to spend his last few months as Chief Inspector establishing something for himself as a venture for the future.

Nicky Morgan: First, in terms of the evidence, I think I spoke to Suella earlier on about three studies. I am sure the Committee has seen them. Potentially you considered them in a previous incarnation when you looked at academies. Those are three very clear, international studies, one by a respected consultancy. It is not only on that, it is also based—not on anecdotes—on looking at what is happening in the country and seeing excellent practice.

In terms of the leadership, first, I think you are absolutely right, that Sir Michael Wilshaw has been a very good Chief Inspector of Schools. Why would we not want him and other leaders of education to take responsibility? I have said that it is not the only institute there will be. When we want to see a profession-led, evidence-based approach, then that is what we want to see. We absolutely welcome people taking responsibility for developing leadership qualifications. As I say, ASCL is also working on this and has a group working together. I think the NAHT are involved. This is exactly what we want to see, the profession taking on that school-led self-improving system, not with the DfE always there.

Q160 Ian Mearns: It is undoubtedly a good idea, but why does not the DfE not then throw it out and say, "Look, somebody come ahead and bring us proposals to do this?" You might find that there are equally good or even better other proposals from other institutions.

Nicky Morgan: As I say, there are others already working on this. Let us hope that today's discussion might engender some more proposals as well.

Chair: Thank you. Next, Marion. We are going to be talking a little bit about financial management again. I know we have touched upon it, but Marion is something of an expert in this field.

Marion Fellows: No, I make no claim to that.

Nicky Morgan: That is quite a billing.

Q161 Marion Fellows: I will quote you some of my response. Many years ago, Neil. Secretary of State, you have already—I don't think the word that I am struggling for is "admitted"—referred to the fact that you were a former Treasury Minister. Would you agree that nothing matters more to a Department than its ability to keep its financial house in order?

Nicky Morgan: It is very important.

Q162 Marion Fellows: This must have been a bit of a troubling time for you. The Department's accounts were handed in late, we had to get a special memo that came to the Committee and the Department was unable to put its accounts into the public domain for scrutiny at the usual time.

Nicky Morgan: It is certainly not something that we would want. As I have already said and am happy to explore again, there are good reasons for that. They are not reasons that we would want to see repeated, which is why we are, with Parliament, working together, and the Accounting Officer of the Department, the Permanent Secretary, is working to see how we make things much better in the future.

Q163 Marion Fellows: Yes. That comes under the heading of "You would say that". Anyway, yes, I do think that any Secretary of State must feel a bit aggrieved if her Department cannot get the accounts out on time for whatever reason. Now, we did have the Permanent Secretary here, as you have already alluded to, and we also asked quite a number of questions on this. One of the questions I really want to ask is: how serious a risk does the effective management of public money by your Department pose to your implementation of your Department's policies?

If I was to say that in another way, and I may well, you are planning this major change. You have not effectively shown that the Department's accounts can be produced at the moment, and if you are going to introduce even more accounting—even by publishing in a different manner, which the Department is proposing—how do you think you are going to manage your own Department's accounts in the light of all these massive changes?

Nicky Morgan: By publishing in a different manner. One of the issues has been about the consolidation of academy trusts into our group resource accounts. That is something, as we have heard, on which we cannot get a clean auditor's opinion. What has been agreed with the Treasury is that we are going to cease to consolidate the academy trusts into our group resource accounts and revert to including only the grant that we pay to academies for the relevant financial year. We will then publish a separate, audited sector report and accounts that will report academies' financial performance for the academic year to 31 August. Part of this is about having different financial year ends. We have a different financial year as a Department from academies, and we want to give a clear picture to people.

Q164 Marion Fellows: Yes. I am not entirely sure how that is going to happen. I am actually going to quote the Chair of the Committee, so I hope you will forgive me. What he has said is, "In providing an adverse opinion on the DfE's group financial statements, the Comptroller and Auditor General has given a serious reason to question the Department for Education's ability to manage its programme of educational reform." That is something that this Committee wants to be certain about. I don't know that, so far, we are.

I did want to ask you one other question. How personally involved have you been in the Department's efforts to sort out its accounts?

Nicky Morgan: First of all, let me say that the National Audit Office has been very clear that it has no material concerns with the accounts of individual academies, nor, I believe, with the Department's own accounts. This is a matter of consolidation in which the accounting treatments means that it is very difficult. That is what produces the adverse

opinion. That is why it is not right to have that for successive financial years, which is why a new treatment has been agreed with the Treasury. It is absolutely right that this Committee should continue to hold the Department to account for our account but also for other ways in which we spend public money, and I am sure you will continue to do that.

I am involved to the extent that I am aware of the discussions that go on. I talk to the Permanent Secretary. We were briefed about all of this. I talk to Treasury Ministers if that is necessary. The responsibility as the accounting officer lies with the Permanent Secretary of the Department. I know that the outgoing Permanent Secretary has worked very hard to sort this out and it is something that the incoming Permanent Secretary will obviously pick up.

Chair: We will have to speed up a bit, Marion.

Q165 Marion Fellows: Quickly, yes, the academies' accounts are separate and are going to be shown separately, etc. I think you are laying the blame all on that but, from what I have read in other places, there are still issues with the Department's accounts on the basis of some spending that has been made and the fact that where things have not gone right in giving money to academies, the Department has been unable to get this money back.

Nicky Morgan: Look, we take how we spend public money incredibly seriously, not least because we are asking other Departments and other individuals to accept difficult decisions that we have made. It is incumbent on us to spend every single penny that we have, but there obviously are going to be, in terms of any big programme in any part of Government, projects that do not work out, whether that is free schools or academies, and that is reflected in the accounts. All I can say is that there are two component parts of the accounts. The adverse opinion is not about them. It is about the consolidation, the bringing together.

Chair: We are going to have to end that. Catherine, you have a question on something else?

Q166 Catherine McKinnell: The Department is still clearly grappling with the challenge of consolidating the accounts. Obviously, the importance of consolidating them is so that the public can actually see transparently how the money is being spent. At the moment, there is a lack of transparency because of the inability to produce the accounts in the format that is required. The concern, which I think is very understandable, is that at the moment the Department is grappling with 4,000 schools and the accounts of those. It is proposing to expand that to 20,000 schools in a very short space of time. Does the Secretary of State appreciate the concern as to whether the Department for Education has the ability to meet that speed of expansion generally, but specifically in relation to the accounting?

Nicky Morgan: It is for that very reason, in order to have more accurate, timely information and more transparency, that we are changing the system, as agreed, as I have already said, with the Treasury, to make it very clear that we will publish separate audited accounts which will report academies' financial performance for their academic years. Also, it should not be forgotten that every academy trust is a charitable company that has to publish its accounts. It is possible for all of us as individuals to look at each academy trust's accounts, which is something more than you get if a school is a maintained school. Of course we will also have them accountable to the Education Funding Agency, and to

the Academies Funding Handbook, and there are financial notices to improve issued if there is a problem. Of course they are also accountable to us a Department generally, in terms of watching to see what is happening.

The question is misplaced, if I might say. If we were not changing, the question would be right, but I have already made it very clear that the Permanent Secretary has agreed with the Treasury a new accounting treatment that, as I say, provides more accurate and timely information.

Q167 Catherine McKinnell: The proof will be in the pudding. What is clear is that it will be easier for the Department to consolidate the accounts of multi-academy trusts rather than dealing with individual academies. Is there a figure in mind as to the optimum size for a multi-academy trust?

Nicky Morgan: They are two completely unrelated questions, if I might say, for the very reason I have just set out, which is that we are not going to consolidate. Totally different is the optimum size, if there is such a thing, of a multi-academy trust.

It is very interesting, actually. The Committee is obviously going to see the evidence that we have just submitted as a Department to your inquiry about multi-academy trusts. There are some very interesting charts in here and one of them is the size of multi-academy trusts—how many schools there are. It will not surprise the Committee to know that the highest number of MATs with three to five schools is 303 and with just two schools is 275. With 21 to 30 schools, there are only five. It is a question of what works for the multi-academy trust. We have seen some of them—Reach2 and then Reach4, decide that they have got to the optimum size for management and then set up a new multi-academy trust. I think that is the right decision.

Chair: We will talk about MATs later.

Q168 Catherine McKinnell: I want to ask one supplementary just to get clarity on this, because the separation of the academy accounts that you described as being agreed with the Treasury and the National Audit Office, has been agreed on a temporary basis. Obviously, we will have to see how that goes in the next accounting year. Is there a plan once things have resolved themselves in terms of accounting standards that they would be reconsolidated?

Nicky Morgan: If there is another way that, in due course, Parliament, this Committee, the Treasury, the National Audit Office feel we could give transparent or timely, accurate information, we will look at it. The idea, unfortunately, is that for the 2015-16 financial year, we have the system we have. Then I think we are going to publish one final set of accounts on the current basis covering 2015-16 later this year. Then obviously we will pick up with the new system.

Chair: We will be going over this ground again in more detail, Nicky, so be ready for that.

Q169 Stephen Timms: The White Paper says at paragraph 348, “Growth of multi-academy trusts will improve the quality of governance”. What is the evidence for that view?

Nicky Morgan: I think it is from a combination of obviously talking to those running multi-academy trusts and the information that we gather as a Department. I know what it talks about here. It goes on to say, “Meaning that the best governing boards will take responsibility for more schools”. It is that ability to look over schools, to share resources and have enormous strategic oversight again, as the paragraph talks about.

Q170 Stephen Timms: The evidence comes from talking to people in multi-academy trusts?

Nicky Morgan: It is a bit of both. It is right the way across the system.

Q171 Stephen Timms: I have a letter from a parent of a student at an academy that has been in a multi-academy trust since 2012. According to the letter, the GCSE results at that academy have declined precipitously, executive pay has risen way in excess of inflation, there have been large payments to consultants including to the business of the US-based chairman of the multi-academy trust, the school is trying to manage its intake to improve the quality of the students coming in, there has been very high teacher turnover, there are concerns about what will happen to proceeds from a land sale on the school site and there are no effective routes for parents to complain or raise issues. That is a parent who has not seen an improvement in the quality of governance since the arrival of the multi-academy trust. What can parents do in that situation? If they feel things are going so badly wrong, what can they do?

Nicky Morgan: At the moment, what they can do is to raise concerns directly with the trust. If they feel they are not getting anywhere there, they should go to the Regional Schools Commissioner, local Members of Parliament, and the Education Funding Agency, or of course come straight to the Department for Education. One of the things we talk about in the White Paper is allowing parents to potentially petition for a school to leave a multi-academy trust if they are really unhappy—that would be particularly on performance grounds but there might be other grounds as well—but also to allow redress via the proposed new Public Sector Ombudsman. You have not named the academy trust involved so I cannot tell you whether it is something that we are aware of or investigating via the Education Funding Agency. Stephen, if you can give us the details we can certainly find out more. The Education Funding Agency can issue financial notices to improve, warning notices and if necessary, rebroker if something has dramatically gone wrong.

Q172 Stephen Timms: Will legislation allowing parents to petition to shift trusts be in the legislation when it comes forward?

Nicky Morgan: We need to look at all the details. It is something that is put forward in the White Paper. Because of lots of other conversations, we have not had as many comments on that yet and we need to work out how it works. There is always that argument about not wanting to destabilise existing arrangements but it is very important if there is a good reason, potentially financial or performance, that parents absolutely would be able to have their say. We talk about real, meaningful engagement.

Q173 Stephen Timms: One of the points made by that parent in the letter is that the school has effectively been, and I quote, “removed from attachment with its community”.

The control now rests in west London at the headquarters of the trust and also at the chair's base, which is in the United States. Why are you removing the requirement for schools to have parent governors?

Nicky Morgan: I have been very clear about this. There is nothing about parents not being governors. Nor do we not want parents to be governors. We do want governing boards made up of people with the right skills to hold those trusts and those running schools to account. It is important that we have people with the right skills on governing boards, many of whom will be parents.

Q174 Stephen Timms: Is it not also important to have people who are attached to the local community?

Nicky Morgan: Of course it is. That is why, again, most trusts and local governing boards would include a variety of people, some of whom will have direct involvement through being parents or having been parents in the past. They could even be members of the local authority. There may also be others with business, legal or architectural experience.

Q175 Stephen Timms: But there is not a requirement. Let me just put the Policy Exchange view on this to you. "The principle of parental engagement at a formal governor level and the need to counter the false fears of a school being taken away from its local community outweighs the argument for MATs being given freedoms to construct their own governance arrangements." Why have you rejected that view?

Nicky Morgan: As I say, what has been put forward in the White Paper is this idea that we particularly want governing boards to have people with the right skills, who are really going to add to the school. Many of those people will be parents. There are many trusts and governing boards that will still have parents on.

Q176 Stephen Timms: Why not have a requirement to have at least one parent on there then?

Nicky Morgan: I do not think a number or having a representative necessarily leads you to have the strongest possible governing board.

Q177 Stephen Timms: Policy Exchange is surely right; there will be—and in the example I have quoted there are—fears of a school being taken away from its local community. Should not something be done to provide reassurance about that?

Nicky Morgan: I agree with the need to provide reassurance. There are other ways. As I was talking about in the House on Monday, schools have parent councils that get parents in, that have parents highly involved in that. Obviously you have quoted one example. I don't know the example. I think there are many academies and trusts that would not recognise the example that you have given at all.

Q178 Stephen Timms: Looking at the performance of disadvantaged pupils, the Sutton Trust has found that some academy chains excel, but that most do worse than the mainstream average, in particular because they have expanded too fast. The Sutton Trust recommends that multi-academy trusts should only be allowed to expand if they have a track record of improving their existing schools. Do you agree with the Sutton Trust about that?

Nicky Morgan: I know you quote the Sutton Trust a great deal, Stephen. I looked at their briefing for the Budget and it says that the best academy chains are having a transformational impact on pupils' life chances.

Stephen Timms: It does.

Nicky Morgan: That is very important. We can be quite open about this. We know that with some academy sponsors things have not worked out, and they have not been able to provide that challenge or that school improvement, in which case it will be rebrokered and the school will be moved away.

Q179 Stephen Timms: You are absolutely right about the point the Sutton Trust makes about a few outstanding trusts. It also makes the point that most of these multi-academy trusts do worse than the mainstream average when they are looking at the performance of disadvantaged pupils. Their recommendation is that a trust should only be allowed to expand and take on new schools if they have a track record of improving their existing schools. Do you agree with that?

Nicky Morgan: That is very important, yes. We have stopped academy trusts expanding because they do not have a strong track record.

Q180 Stephen Timms: You would agree that multi-academy trusts should not be taking extra schools unless they have a track record of improving their existing schools?

Nicky Morgan: It is absolutely one of the questions that should be asked. It is probably the most critical question in terms of whether—

Q181 Stephen Timms: I am sorry, I am not sure whether that is a yes or a no.

Nicky Morgan: I have been very clear. School improvement is a really important factor in deciding whether or not an academy trust should take on any more schools. In fact, I think it is the most important factor. You can see from the actions the Department has taken that where there are questions about whether a trust is capable of school improvement, we have stopped it expanding.

Q182 Stephen Timms: In future, are you saying that a trust must have had a track record of improving its existing schools before it takes on new schools?

Nicky Morgan: That is an absolutely vital question that we would ask. If it did not have a strong track record, we would not let it take on any more.

Q183 Stephen Timms: I understand it is a question. I am interested to know the answer.

Nicky Morgan: I have just given you the answer. I have said that if an academy trust does not have a strong track record of school improvement we would not let it take on any more.

Q184 Stephen Timms: Thank you. Just a final question from me. You have talked a lot—rightly, I think—about the importance of school autonomy in the new era. Why can schools not have the autonomy to decide whether or not they should be an academy?

Nicky Morgan: We are going back over old ground that we gone over on this Committee before but I am very happy to do it again. For the reasons that I have set out, we have to build a strong, consistent school system in this country. I now have the opportunity to do that. We are half way through it, if you like. We have some great schools in parts of the country, but we have areas we have identified in here and elsewhere where education is not yet good enough. We want good schools. If you are going to build a strong, consistent system, we want good schools to become academies to offer that strength and that expertise right the way across the country. I have also been clear that operating and running financially a dual system does not make best use of taxpayers' money. We want as much money to go to the frontline as we possibly can.

Q185 Ian Mearns: To briefly follow up—I have asked you about this before, Secretary of State—the White Paper does talk about the symbolic role that parent governors have played. Was it the 1988 Act that brought in parent governance as well? Kenneth Baker got that wrong as well. Parent governors have done a sterling job and formed the backbone of many school governing bodies. What conclusion are they meant to draw about their role in governance over the last 27 years, when it is being dismissed in a by-line as “largely symbolic”?

Nicky Morgan: You started with the word “symbolic” and I do not want governors to be symbolic. I want governors to be there absolutely, bringing their skills and bringing their life experience. Some will be parents, some will not be parents, some will have worked in education, and some will not have worked in education. There is absolutely no reason why parent governors should not continue to make an excellent, very valuable contribution to school governance.

Q186 Ian Mearns: I accept that entirely, but it is entirely possible under the proposals that you are bringing forward that there may not be any parent governors in any particular school. There may be governors in a whole range of different categories bringing skills; they might be parents themselves but not necessarily parents of children in that school. That is important. Parents in the locality like to know that there is someone who is rooting for their kids in the educational system, someone with the local knowledge base and someone who understands the lot of families in the community that they represent. That is important, and I would ask you to reflect on that, Secretary of State.

In terms of multi-academy trusts—we are back to research again, I am afraid—what research has the DfE conducted on the likely supply of new multi-academy trusts into the future? I know that Lord Nash has been doing something around London to get additional sponsors, getting London-based organisations to move into the hinterland of England. Unfortunately, the trickle-down might not go as far as Gateshead and Newcastle.

Nicky Morgan: As you say, we are looking for academy sponsors and people who want to do that, but the most effective people to be sponsors of academies are other good or outstanding schools. Again, if I look at the information that we have submitted in terms of the multi-academy trust inquiry, the majority, 70% of MATs, are school-led. As we know,

there are 570 eligible schools who could be academy trust sponsors and we would very much like all of them to consider doing it.

Q187 Ian Mearns: A little warning from history, based on an anecdote from my own locality. A school has tried to leave an academy trust and has done so, but they were still, sadly, from their perspective, tied into the service contracts for a period of I think five years. They might well leave the governance structure, but they cannot leave the delivery of services because they are tied in by a legal contract. Perhaps you could reflect on that as well.

Nicky Morgan: I know it is a very important point. We are going to have a system where we are going to have more schools, some of which will be part of multi-academy trusts. As I said to Stephen, it is very important that we are clear that in the event of issues of performance and financial issues—it could be just distance. It could be just lack of sufficient school improvement that trusts are able to lead. If that ability to think about what the issues are, signing up to service contracts is a really good point to think about.

Q188 Ian Mearns: In a previous answer you talked about many multi-academy trusts growing organically from the ground up in a particular location, and how many are small groups of schools clustered together, but in terms of the larger MATs that are out there trying to provide services and move forward, what contingency plans have you made if the supply of MATs starts to tail off? The big providers.

Nicky Morgan: As I say, I go back to the point that what we are seeing is, we are not going to run out of schools on the basis that we know we have 24,000, but 70% of multi-academy trusts are school-led. That is one of the strongest ways of having the clustered schools. They could be very small clusters; they could be slightly larger clusters that build that strong, consistent system that I have been talking about. We will of course continue looking for sponsors. I talked before about education being the great life transformer. There are lots of people in this country, some running organisations like Ark, some like Lord Harris, for example, who for philanthropic reasons want to invest. They have either had a good education and want other people to experience that, or they did not have a good education and they do not want other young people to go through that. I welcome their interest and involvement.

Q189 Ian Mearns: What makes you confident that MATs across the board will want to move into areas where there are schools with particularly tough problems, or for instance rural areas where there may be very small rural schools? What makes you confident MATs will oversee the management of those places?

Nicky Morgan: Let us first of all be clear that schools do not have to join. If they are strong and sustainable, they do not have to join multi-academy trusts. That is one of the things that has potentially come out. People think automatically they are going to have to join a trust that is not right for them. That is absolutely not what we are saying. It is six years that we are talking about. We know that there are trusts that want to move into different areas, that want to take on different schools, and that will—with obviously the right conversations—take one smaller school. We also know that there are clusters of smaller schools that want to work together. That is one of the things we say. It goes back to the point about people saying, “It is one-size-fits-all. It is all going to look the same.” It

absolutely is not. It is going to look like different solutions for different areas. That is exactly right.

Q190 Ian Mearns: You can envisage possibly where there might be 5,000 or even 10,000 multi-academy trusts across the country?

Nicky Morgan: It is difficult to be clear on numbers. At the moment we have 973. They range in size. The vast majority have less than 10 schools in them. We need to see how it develops. I am not going to say that small clusters of schools cannot work together and be extremely successful.

Q191 Ian Mearns: In terms of bringing that together, managing the whole system and making sure everything is okay, everywhere, can I say I hope it stays fine for you?

Nicky Morgan: We have talented—you have had them in front of you, I think—Regional Schools Commissioners. We have a very talented cadre of Regional Schools Commissioners.

Q192 Ian Austin: Some colleges, UTCs, apprenticeship providers, and some employers in engineering, for example, complain to me that schools do not promote or talk about other routes post-16. What confidence can we have that multi-academy trusts are going to promote other routes post-16, particularly if they have sixth forms themselves, and what confidence can we have that teachers are going to be equipped with knowledge of alternative routes into, for example, apprenticeships or vocational training, and understand more about the world of enterprise and engineering, for example?

Nicky Morgan: I don't think that is a new challenge. I don't think that has anything to do with whether a school is part of a multi-academy trust or not. We know that there are schools of all hues that would like very much to hang on to their pupils. I have been very clear that if necessary we will legislate so that schools of all hues will have to allow other providers in to talk about other opportunities: university technical colleges, apprenticeship providers, other routes for doing A-levels or technical professional education. That is very important.

I have previously given evidence to the Committee about the role of the Careers and Enterprise Company and the role of the enterprise advisers in working with schools. Of course the main target is working with the pupils to inspire them about the future, but I would strongly expect that teachers will be very aware of what is available. It goes back to also talking about character, employability skills and being very clear that we want our young people to be prepared for all different worlds of work.

Q193 Chair: Thank you. You have referred to our fourth Committee inquiry on multi-academy trusts. The question we will be asking, basically, is, "What does a good MAT look like?" and we will be inviting Sir David Carter and others to that inquiry.

Nicky Morgan: Good.

Chair: Lucy, you would like to talk about character and resilience?

Q194 Lucy Allan: Yes. If I could take you back, Secretary of State, to what you were saying just now about character—and chapter six in the White Paper references this—I welcome the plans to focus schools on boosting the mental health and wellbeing of pupils. What plans are there to target that support in the area of looked-after children and children on the fringes of care?

Nicky Morgan: We are looking at the moment at what we could do more of, in terms of responsibilities for looked-after children and how we would hold people to account for that. That is early work in the Department. We know that is a group of children who perhaps need additional, specific support. At a school level, though, we want all schools to focus on all pupils in this agenda. There may be children who have particular needs or experiences who could really benefit from it.

Chair: Order, order. I understand that there will be two Divisions so we will suspend the sitting for 25 minutes. We will come back at 16.40.

Sitting suspended.

On resuming—

Q195 Lucy Allan: Secretary of State, just one straightforward question. Do you think we need to target resource at looked-after children and children on the fringes of care in the area of mental health and wellbeing and resilience and character-building?

Nicky Morgan: Yes, but not exclusively. They are absolutely children who would benefit, but sadly, I think there are many other youngsters who also will benefit from teaching on mental wellbeing and other issues. But as I say, in terms of care leavers, children on the fringes, children in care, then yes, that is something that we are looking at in the Department.

Chair: Thank you, Lucy. Two quick questions on Regional Schools Commissioners.

Q196 Suella Fernandes: What value or impact will Regional Schools Commissioners bring to accountability of schools?

Nicky Morgan: I am not sure it is about accountability, I think it is about driving school improvement. I know you will have evidence sessions from them. In terms of accountability, part of the reason or one of the benefits of schools becoming academies is that their first line of accountability is to themselves and to parents, and of course they will be inspected by Ofsted. But what the Regional Schools Commissioners do is identify when there is an issue and commission school improvement services—whether that is bringing in a teaching school or national leads of education or potentially even rebrokering an academy or bringing in new leadership. I think strong accountability on education; we have not gone on to financial, but the Regional Schools Commissioners are there to target those schools in need. I should just say that the other thing is that if good and outstanding schools—if they are academies—are doing well, we want them to get on with doing what they do best.

Q197 Suella Fernandes: What has been the evidence so far from your perspective of the action and steps taken by Regional Schools Commissioners?

Nicky Morgan: What is interesting talking to them is just how well they know their local areas, right down to the level of granularity about individual schools in individual constituencies and areas. They really do have a handle on what is going on and they are able to broker different solutions. But the fact that we issued notices to improve, and to rebroker sponsorships, shows real action.

Q198 Chair: Thank you, Suella. We have been in correspondence about home education, Nicky, and I am sorry that Marion is not here to hear me make this observation, but of course in Scotland there is a little bit more regulation of home education than in England. Are you thinking of moving in that direction, given the issues about extremism, the concerns about child protection and about the fact that we have some 50,000 children being home educated with no need to register with anybody?

Nicky Morgan: Absolutely, it is an area of concern. Let me just first of all say I am sure there are many children who are being home educated extremely well in very safe environments and they are getting a very good standard of education from families or from others. But of course any situation where children could be vulnerable, both in terms of safeguarding and welfare, but also in terms of what they are being taught, has to be a concern to the Department. I know that there is an extremely strong view that people would not want to see regulation. It is something that I am very open to listening to further thoughts on, but we also want to introduce regulation to make sure we know where children are, because at the moment when a child is deregistered from a school, we do not necessarily know where they go. It could very well be they end up on another school roll somewhere else for perfectly legitimate reasons such as a family move, but there are also children who, if they are in home education, do not have to be registered, and I think that is a concern. We want to know where children are.

Q199 Chair: It is absolutely right that many of them will be being well-educated, but if we are guessing at 50,000 or more, we cannot be sure that all of them are in a safe environment. Of course there is a parallel, isn't there, with the independent schools, which your Department has been looking at, beneath the radar?

Nicky Morgan: Yes.

Chair: It seems that some proposal could be made to tighten both independent schools beneath the radar and home education.

Nicky Morgan: All of this area, if we are serious about it—going back to where we started—is about excellence. Education opens up young people's lives and gives them opportunity, and we have to know what is happening in all education settings, while respecting, as I say, the fact that home education is something people feel very strongly about and in many cases is done extremely well.

Chair: Thank you, Nicky. William, you are going to be talking about the next Chief Inspector?

Q200 William Wragg: I am indeed, and Sir Michael has never been particularly backwards in coming forwards in criticism of the Department. I wonder how you will judge the ability of the candidates to maintain Ofsted's independence from your Department.

Nicky Morgan: Obviously there is an interview process going on. I am pleased to say that we have had a positive level of interest with some excellent candidates. The job description I am pretty certain—I stand to be corrected—is public, so people will be able to see the things that we want to see, the qualities in any new Chief Inspector, but I think the ability to have somebody who can speak without fear or favour to the Secretary of State and to anybody else in education is incredibly important.

Q201 William Wragg: Obviously, Ofsted's role has expanded in recent years and Sir Michael had particular experience in the secondary sector. What consideration have you given to the size and the scope of the organisation and the person who may head it, perhaps with reference to both the primary sector and children's services more generally?

Nicky Morgan: One of the things in looking for a good selection of candidates was to make sure that we were not restricting ourselves to people who had worked in schools, but to make sure that we were encouraging applications from a wide range of people. I am pleased to say that that has happened, but that is an interview process that is ongoing.

Q202 William Wragg: Just finally on the question of Ofsted, if you remember my maiden speech, I talked about the need for the Ofsted process to be something that is done with schools rather than to schools.

Nicky Morgan: Absolutely, yes.

William Wragg: Do you have any plans to change Ofsted's role and structure going forwards?

Nicky Morgan: I do not think necessarily to change the role, in the sense that it is very important to have an independent inspectorate of schools, and as you say, of other settings— Sir Michael has also been very interested in early years, FE, apprenticeships, as well as children's services. It is absolutely right to say that we do not want schools to be so focused on an Ofsted inspection that they lose sight of doing what they do best and what they are most skilled at. One of the things we talk about in the White Paper is removing the quality of teaching judgment, because we do not want teaching practice to be driven by what people think Ofsted want. That is why the Ofsted "Myths" document has been very important. We have not yet talked about the workload reports. Again, I think it is very important that workload is not increased or driven by worry about Ofsted inspections. In terms of framework, because of the very nature of inspections, if you think about things like the issues in Birmingham, where we would not perhaps have expected Ofsted to be inspecting on British values, we have seen that is something that is necessary. We are not planning further changes, but we have to keep all these things actively under review just to respond to situations.

Chair: Thank you. Last but not least, Michelle is going to be talking about implementation of the White Paper.

Q203 Michelle Donelan: Thank you for coming along today. The Prime Minister did say today in Prime Minister's Questions that the academy policy would be in the Queen's Speech, which is fast approaching. Do you not think that a longer period of pre-legislative scrutiny would be in the interests of the schools, the teachers and the end users—which is in

fact the students— bearing in mind what we discussed before. There are still discussions going on about the exact detail and whether local authorities could themselves become sponsors of academies. There are lot of questions around it. Do you not think a little bit longer would be advisable before we start on this?

Nicky Morgan: Look, I think as the Prime Minister said today, we cannot ever pre-empt what is going to be in the gracious speech, but I also said there is a lot more in the White Paper than just the issues around school structure. There is lots in here that can be done just exactly as I just talked about—the changes to Ofsted, but also teacher training and the setting up of a College Of Teaching, which does not require legislation at all. We want to work with the profession on all of the things that are in the White Paper. I cannot say what is in the detail of the legislation, but what I do know from this House is that there will be lots of legislative scrutiny, both in the Commons and in the House of Lords, of any proposals on education, including of course detailed line-by-line scrutiny at the Committee stage.

Chair: I apologise, I did see Suella wanting to ask two questions—quick questions, I am assured—about Ofsted.

Q204 Suella Fernandes: Yes, one is about Ofsted. Pressure from Ofsted inspections is cited as one of the top three reasons for leaving the profession. How do you see the proposals here for reform of Ofsted affecting workload and teacher morale?

Nicky Morgan: I mentioned not having the quality of teaching judgment, but obviously a quality of leadership judgment is important. If the Committee and all those listening have a chance to look at the reports from the three workload groups, there are recommendations for different organisations, DfE and Ofsted as well as school management. I think that if we were able—all of us—to take on board those recommendations, we could make a significant difference to the workload of teachers up and down the country. I think that would help. There are myriad reasons why people will decide that they do not want to stay in teaching and they want to move on to something else. There is always going to be a certain amount of stress whenever anybody in any profession is inspected, but I do not want teaching practice or the way schools are run to be driven by Ofsted.

Q205 Suella Fernandes: My last question was about the funding of the schools. There is a whole section in the White Paper on that, for which many members of this House have been campaigning much longer than I have. In Hampshire, for example, we have traditionally received disproportionately limited funding. I want to ask you a quick question about when you think this is likely to be implemented and what the overall effect will be, in particular for Hampshire.

Nicky Morgan: I cannot predict for specific areas at the moment, because we just do not have that, partly because we have just consulted on the first phase, which is the principles. I think that is the right way to do it and it sets out some very important principles—things like the area cost adjustment for places like London, but also of course rural sparsity factors. I was talking to one of our colleagues just now in the Lobby about the principles consultation and the work that he is doing with his local head teachers. It is important to remember why we are doing this, because this should be consistent. It goes back to my original point about consistency and a strong system across the country. Funding of course has to underpin that, but if we are going to move to a system where we can have a national

funding formula, where there are not 152 different local formulae, where money is going direct to schools, which is where we want to get to, I think that is the right thing to do. We see disparities; we see areas where clearly the factors of disadvantage have not kept up with time and local demographic developments, for example.

I think it is also very important that schools are asking for certainty. They like to be able to see and predict more the funding they are going to have over the next few years. I completely understand why schools would want to be able to do that. That is what we want to do. In terms of timing, we have said that we would like to start moving schools on to the new formula in the 2017-18 financial year. There will of course be a transitional period and that is something I think we will need to look at in the course of the second consultation, which obviously will be about the actual numbers, because we are also very conscious that while many schools and areas have been waiting for this for a long time, there are inevitably going to be areas where they are going to have less. We have to do that in a fair and phased way so that people are not losing unduly and so it does not destabilise the education they can offer.

Q206 Ian Mearns: There is an important factor though in the historical funding of schools by local authorities, and that is what used to be called a standard spending assessment. Now, some local authorities used to deliberately spend above standard spending assessment and some local authorities used to deliberately spend below standard spending assessment. When it came to those amounts being absorbed into the funding formula that we have now, that was for those historical reasons, so you cannot blame local authorities that have higher levels of spending when they were raising money locally to put into the schools under the standard spending assessment arrangements that existed 20 years ago.

Nicky Morgan: Part of the reason for consulting on principles first was to have those sorts of discussions about whether we were looking at the right principles, the way of calculating the formula. I was talking the other day about the formula having been developed a decade ago; somebody was saying it was developed longer ago than that. I think we can all agree that the demographics, the needs of the local areas have changed hugely in those decades or years since then, but I think that is why the principles need to look at the baseline that we have now and how we reflect various factors, including disadvantage. That is one of the important things. The formula reflects the needs of the pupils, regardless of where they are.

Q207 Chair: Nicky, on behalf of the Committee, I want to thank you very much indeed for being with us, with a break, of course, but only a break to do our duty, to demonstrate our belief in democracy. But you have been here since 2.30 pm, so thank you very much. You have answered 21 questions plus all the supplementaries, which is good.

Nicky Morgan: It sounds like Mastermind, doesn't it?

Chair: We hope you have enjoyed it and we would be most pleased if you would send our best wishes to the secondary heads that you are about to address.

Nicky Morgan: Thank you very much, I will pass that on.

Chair: We have a deep and lasting interest in their welfare.

Ian Mearns: You have passed your Key Stage 9.

Chair: I want to thank all the members of the Committee for being so effective at getting through the questions, so best wishes.