

# Policy Watch Update

At the starting gate: the policy picture for education at the start of the election

Issue 1  
April 2010

## Introduction

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Education has featured prominently in each of the last three general elections and looks likely to do so again this time. This Paper therefore looks at the key education policies that the main Parties have been developing over the last year or so and sets them in the wider election context.

## The Economy

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The economy will clearly play a large part in the election. For education, there are three broad issues:

- The timing of any cuts. The Conservatives have consistently called for cuts to be made sooner while Labour has been saying we should wait until the economy is stronger. The Labour argument was spelt out by the Chancellor in his recent Budget speech; *"to start cutting now risks derailing the recovery."* The Conservative argument is that the deficit is so big that a *"credible"* recovery plan is needed now. Economists remain divided but much of the City, the Institute of Directors and the European Commission have sided with the sooner rather than later argument. This suggests education will face a tough call when future spending plans are announced later this year
- Efficiencies, where to make them and whether they have much impact. The Budget imposed a further £11bn of efficiencies and each public spending dept has been charged with delivering efficiency targets, a further £300m in the case of BIS and £1.1bn from the DCSF. Labour has identified seven main efficiency measures it is using to curtail spending: reducing the number of civil servants; re-locating government depts out of central London; halving the cost of consultants; reducing marketing budgets by 25%; better energy efficiency; better collaboration on procurement; and sales of assets. The Conservatives have listed five measures: new IT spending; supply contracts; non-essential recruitment; discretionary spending; better use of property. They have also recruited Sir Philip Gershon and Martin Read, who carried out efficiency projects for Labour, to help them. Currently the Conservatives have identified £12bn of savings that could be saved this year but the question remains as to whether these sorts of efficiencies are either deliverable or actually have much impact? The Institute of Fiscal Studies remains unconvinced.
- Ringfencing. In his December Pre-Budget Report, the Chancellor promised to ring fence funding for schools, hospitals and the police; the Conservatives have variously indicated something similar for schools, hospitals and international aid. But as the Institute of Fiscal Studies have pointed out, ringfencing funding for one dept inevitably puts a squeeze on other depts, something in the order of 14%. The effects of this have already been seen in areas like HE, defence and transport. Also, is pouring money into a public service the answer? Various Reports have concluded that overall public sector performance hardly improved when money was being invested into it between 2001 and 2007. Vince Cable has argued that there should be no ring fencing at all

The current profile of the economy can be assembled from the figures given in the December Pre-Budget Report and the March 2010 Budget Statement:

- Economic growth. Revised down in the Budget to 1-1.5% for 2010, 3-3.5% for 2011. This contrasts with a poll of business leaders who thought the figures too high but is supported by the OECD's growth projection of 3.1% for the second quarter of 2010
- Inflation. Due to remain at 2% into 2011

- Borrowing. £167bn for 2010, £163bn for 2010/11, £131bn for 2011/12, £111bn for 2012/13, £89bn for 2013/14, £74bn for 2014/15
- Public pay settlements. Held at 1% for 2 yrs from 2011

A good way to understand Party positions on the economy is to look at some of their recent speeches. For Labour, these include:

- Gordon Brown's Britain's Economic Future speech of 10 March. This confirmed that:
  - Recovery remained fragile, the economy was *'at a crossroads'*
  - All government depts would have to make efficiency savings
  - Nothing would be done to destabilise recovery
  - Senior managers pay would be frozen
  - Labour would invest in the industries of the future
  - Labour would take the tough decisions
- The Chancellor's Budget 2010 Statement. This
  - Confirmed frontline spending for schools would rise 0.7% over the next two years with a 0.9% rise in resource spending for 16-19 participation
  - Guaranteed funding for the Young Person's Guarantee for another year
  - Pump primed enterprise and finance education in schools and colleges
  - Set up a £270m Modernisation Fund for HE

For the Conservatives, the two key speeches are:

- George Osborne's Oct 09 Conference speech. This committed to:
  - Raise the pensionable age
  - Remove some 'middle-class' tax benefits
  - Put in place a public sector pay freeze
  - Generate savings through removing *'the army of bureaucrats and administrators'*
  - Cut the cost of Whitehall by 30% over 4 years
- George Osborne's Feb 2010 'New Economic Model' speech. This identified eight economic benchmarks for Britain including reformed public services, a greener economy, a more balanced economy and 'getting Britain working.'

The chronology after the election looks like this: an emergency Budget in June/July if the Conservatives win, full-scale reviews of all spending depts leading to a comprehensive spending review statement in the autumn, implementation of a new spending plan from April 2011. Given the commitment by both Parties to halve the deficit in the next Parliament, the years 2011 -2014/5 look like being the tightest with both sides warning things will be *'tighter than the Thatcher years.'*

## Unemployment

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Unemployment figures have continued to confound those who predicted that they would go on rising and hit 3m. The latest quarterly figures for 2010 show a drop of over 30,000 leaving a total of 2.4m. Most commentators see this total peaking this autumn at around 2.6m.

This is obviously good news for the government who can claim that their policies are working and for the Chancellor who now has an unexpected extra £1bn a year in his pot that will not be needed for benefit payments. Some of that has already been used to extend the Young Person's Guarantee for another year.

The statistics do, however, mask three important features about employment patterns.

- A growing trend of part-time employment. Some of this is due to the recession but not all. The number of people working part-time for example began to increase in 2005 partly as a result of a decline in traditional industries and a concomitant growth in the 'freelance' economy. Not all of this is positive; the Office for National Statistics suggest that nearly 3m people are working less and thus being paid less than they would want. Also a dangerous gulf is emerging between those with secure jobs and pension schemes and those without
- An increase in the number of people currently not looking for employment. This 'economically inactive' group includes people studying as well as those unable to work perhaps often for domestic reasons but also, worryingly, those who may have given up looking for employment. In the last quarter the overall figure for this group rose to a record 8.1m and rather offsets the decrease in the unemployment figures
- A fall in overall employment figures, down to 28.8m, the lowest since 1996 and suggesting that traditional full employment is still some way off

More immediately, the main concerns are whether the anticipated slump in public sector jobs will materialise this autumn, how far either Party can sustain the growth in the number of people now wanting to study, how best to tackle the issue of NEETs and how quickly the key economic sectors start to grow.

The next set of unemployment figures is due in the third week of April.

## Children, Schools and Young People

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All Parties have developed policies on children, schools and young people over the year.

For Labour, the key paper in that it sets out a vision for schooling of the future was last summer's 21<sup>st</sup> c Schools White Paper. Many of its proposals were due to be enacted this year but have now been lost in the wash-up before the election. In terms of funding both the December Pre-Budget Report and last month's Budget set out the context for schools for 2010/11. Longer term, the dept has been working on its own efficiency programme while helping schools plan for a tighter funding future under its '*Securing our future*' programme.

For the Conservatives, Michael Gove has been especially active in reshaping his Party's schools policy around the introduction of a new 'free' independent state school system and a more knowledge-based curriculum. Key papers include last October's '*Get Britain Working*' Paper which set out the Party's proposals on vocational and work-based provision and January's *Draft Manifesto for Schools* which brought together proposals on the curriculum, teachers and the new school system. A number of Michael Gove's speeches last month including notably that to the Royal Society on 2 March added further detail to these proposals, many of which have been influenced by the recent Sykes Inquiry.

The Lib-Dems have equally put children and schools high up their list of priorities. Details can be found in their Policy Briefing Papers last autumn and more recently in their Manifesto for Young People entitled '*Free to be Young*.' Nick Clegg and David Laws have both made a number of keynote speeches over the last six months on education including notably Nick Clegg's speech on 1 March.

This section lists the key policies for each of the three major Parties under five headings:

1. children
2. raising standards and school reform
3. the curriculum
4. teachers
5. young people

## 1. Key policies for children

### Labour:

- Fund free nursery places in deprived areas
- Continue to expand Sure Start and Children's Centres
- Extend the system of Parent Support Advisers
- Continue to develop the Early Years framework
- Improve flexible working arrangements for parents
- Continued support for the 10 Year Children's Plan

### Conservative:

- Review early years provision through a dedicated dept-based early years team
- Refocus Sure Start around family support and early intervention
- Introduce a new system of flexible parental leave
- Use the tax system to reinforce the importance of marriage and civil partnerships

### Lib-Dem:

- Introduce 19 months paid parental leave when a child is born with free child care up to age five

## 2. Key policies for raising standards and schools reform

### Labour:

- Support every school to become an Academy, Trust or Specialist School
- Establish a system of managed chain schools so that improvement can filter down
- Extend the powers of governing bodies to be able to take over 'failing' schools
- Implement a system of parent and pupil guarantees \*
- Build the national Challenge programme around a system of School Improvement Partners (SIPs) with new 'challenge' rights for parents and local authorities \*
- Support heads and teachers through stronger Home-School Agreements and clearer guidance on disciplinary powers \*
- Introduce a School Record Card, potentially from 2011, as a primary measure for school reporting and accountability \*
- Complete the review of the Dedicated School Grant (DSG) and extend the system of school bursars
- Introduce a pupil premium to support disadvantaged pupils
- Continue the school building programme through the BSF

\* = *failed to get legislative approval before the election*

#### Conservative:

- Extend the academy programme into primary schools and make it easier for schools in all sectors to gain academy status, especially in disadvantaged areas
- Pass legislation to enable the creation of independent parent/community state schools
- Launch an early assault on underperforming schools and replace where necessary with an academy
- Streamline the number of agencies and quangos within the school system and make them more transparent and accountable
- Establish greater transparency over school funding
- Introduce a pupil premium weighted towards disadvantaged children
- Strengthen Home-School Agreements
- Focus the inspection on poorly performing schools and core features of teaching/learning
- Require Ofqual to benchmark qualifications and exams against major competitor countries
- Make standard setting more transparent with an open database of past exam papers and mark schemes
- Revamp league tables to record performance in core subjects
- Dismantle the BSF programme in favour of a new capital building programme

#### Lib-Dem:

- Establish a system of Sponsor Managed Schools to replace academies
- Give local authorities greater responsibility for managing school performance
- Grant additional powers to school governors
- Scrap the 5 A\*-C benchmark
- Establish an Independent Educational Authority to regulate standards
- Commit to smaller classes
- Set up a new £2.5bn pupil premium funding model
- Review the BSF programme

### 3. Key policies on the curriculum

#### Labour:

- Continue to expand the one-to-one tutorial programme in English and maths at key stages 2 and 3 \*
- Review long-term future of key stage testing and role of teacher assessment
- Implement, from 2011, the 'Rose' reforms for primary education \*
- Roll out the Every Child Counts and Maths Specialist Teacher programmes
- Expand enterprise and finance education in schools

(\* = failed to get legislative approval before the election)

#### Conservative:

- Take overall curriculum planning back into the dept while encouraging greater institutional autonomy over curriculum implementation
- Overhaul the National Curriculum , redefine the knowledge requirements for English, maths and science and strengthen the knowledge base of the curriculum generally
- Restrict curriculum reform to a standard cycle to avoid continual upheaval
- Allow state schools greater freedom over exam choice including immediate usage of iGCSE
- Encourage HE to take a lead role in defining the nature and shape of A levels
- Restrict immediate implementation of the 'Rose' reforms
- Review the future of key stage tests to focus on essential core standards
- Introduce a 'simple' reading test at age 6

#### Lib-Dem:

- Scrap the National Curriculum and replace it with a slimmer Minimum Curriculum Entitlement
- Focus more on diagnostic and literacy/numeracy assessment

## 4. Key policies on teachers

#### Labour:

- Introduce a licence to practice, renewable every five years \*
- Introduce an entitlement to CPD including the current Masters Qualification
- Give clearer guidance to teachers to help them in the classroom

(\* = failed to get legislative approval before the election)

#### Conservative:

- Raise the bar on entry to the profession including the removal of resits for literacy and numeracy tests
- Introduce greater flexibility in pay and conditions with incentives for teachers in priority subjects and areas
- Give heads and teachers greater powers in the classroom and over discipline
- Expand the Teach First scheme and develop new 'career switching' Teach Now and Troops to Teachers schemes
- Consider lessons from Finland and Singapore particularly for primary teaching

#### Lib-Dem:

- Establish greater flexibility on pay and conditions
- Revamp teacher training to include more mentoring and 'learning on the job'

- Introduce a 'fitness to practice' scheme

## 5. Key policies on young people/14-19

### Labour:

- Long-term commitment to a coherent 14-19 qualification framework built around prescribed routes
- Establish a distinct 14-19 entitlement by 2012
- Extend the Young Persons' Guarantee to ensure a place in training or study is available for every young person up to the age of 18
- Formally extend the age of participation to age 18 by 2015
- Aspire to having one in five young people taking up an apprenticeship within ten years
- Establish a system of 14-19 technical schools
- Extend the EMA system to include entry into HE
- Establish a separate planning and funding system for 14-19 provision
- Strengthen technical/vocational education through employer/SSC engagement
- Continue reforms in GCSE/GCE, roll out functional skills and foundation learning
- Develop community service schemes for young people

### Conservative:

- Expand the Young Apprenticeship programme
- Increase apprenticeship provision through direct funding of employers
- Establish University Technical Colleges (UTCs) in key city areas
- Re-position Diplomas within a more flexible entitlement
- Increase the number of places in FE to pick up NEETs, 14+ work-based learners, apprenticeships, work programmes and rapid recovery programmes
- Transform Train to Gain and New Deal into a new integrated Work Programme
- Establish a 'national citizen's service' scheme for young people
- Reduce the raising of the participation age to a voluntary scheme
- Introduce an all-through careers and guidance service

### Lib-Dem:

- Replace Diplomas with a 'Tomlinson' style General Diploma
- Introduce a flexible, when ready post -16 entitlement to 2 years free study rather than a compulsory participation scheme
- Introduce access to training, placement and support for young people after three rather than six months unemployment
- Introduce a right for pupils to attend college for work-based courses at age 14
- Support more apprenticeship schemes for disabled young people

- Encourage development of accredited volunteering schemes
- Develop a strengthened careers and course advisory service

## FE and adult skills

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For FE, the last year has seen the sector play a key role in helping provide rapid response training for those facing losing their jobs while continuing to develop the skills needed for the future. All major Parties continue to see the sector playing this sort of role in the future with a growing emphasis on high-level skills and economically critical sectors and operating in an increasingly fee orientated funding system.

For Labour, this vision has been developed very vigorously by Lord Mandelson's BIS dept through a succession of papers setting out the industries of the future, the jobs of the future and the growth strategy of the future. Lord Mandelson's '*New Industry, New Jobs, One Year On*' speech in March provides the latest example of this.

For the Conservatives, last October's '*Get Britain Working*' Paper remains important as was the speech by David Willetts to the AoC last November on how a more simplified FE sector might operate.

For the Lib-Dems, their pocket guide on the economy provides an outline of their policies in this area while, of course, any speech by Vince Cable is helpful in understanding the Party's view on the economic context

## Key policies

### Labour:

- Focus on the skills needed to create a new technician class
- Develop for 2010 and beyond a national scorecard that can record progress against such measures as productivity, wage returns and qualification levels
- Introduce a course labelling system to provide course outcome data for prospective learners
- Fund an increase of 35,000 new advanced and higher level apprenticeship places over the next two years
- Set up a 'Golden Hello' Scholarship Scheme to support progression into HE
- Prioritise funding around those sectors considered critical to the country's long-term future
- Introduce a Joint Investment Scheme to match fund employer contributions in key sectors and to sit alongside the UK Innovation Investment Fund
- Establish a network of technology and innovation centres to drive the industries of the future
- Introduce a system of Skills Accounts
- Develop the National Skill Academy programme including setting up a National Enterprise Academy
- Simplify the skills system by looking to reduce by 30 the number of agencies
- Continue to ringfence the science investment programme

- Establish the right for employees to request time off to train
- Create 150,000 new jobs under the Future Jobs Fund and expand the creation of jobs under the Green New Deal

#### Conservative:

- Simplify the FE planning and funding system around one funding body, one improvement body and one audit regime
- Simplify the skills system particularly the regional tier
- Increase the number of training places in FE and give colleges greater freedom to business plan
- Create a 100,000 extra apprenticeship and training places a year targeted particularly at Level 3
- Establish a Community Learning Fund to help 'older' workers develop new skills
- Set up an all age dedicated careers service
- Introduce a system of Lifelong Learning Accounts
- Create new specialist Academies in IT, young enterprise and services
- Support proposals in the Dyson Report to encourage more innovation and development in high level and service skills as well as research
- Introduce a national loans Guarantee Scheme to help businesses get going
- Extend flexible working arrangements
- Direct Train to Gain and New Deal funding into a new integrated Work programme

#### Lib-Dem:

- Create a single FE/HE Funding Council, the Council for Adult Skills and HE (CASHE)
- Close the gap between school and college funding levels
- Fund 15,000 more college based Foundation degree places this year
- End the system of EMA bonus payments
- Create a system of Local Enterprise Funds
- Scrap Jobcentre Plus and create a new one-stop Next Steps Agency
- Introduce a 3 month paid internship scheme
- Fund research into low-carbon technologies
- Extend flexible working rights to all employees

## Higher Education

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For HE, the build-up to the election has been dominated by concerns about the impact of proposed cuts. Overall the budget for higher education in England for 2010/11 has been cut by over £500m leading to reductions in the teaching and learning and capital budgets.

Labour has stoutly defended its record in HE with Lord Mandelson arguing that the savings required are "*less than 5%*" and that universities should look to attract income from other sources. "*The best university systems in the world are defined by a wide range of public and private funding and British universities need the same diversity.*" The Conservatives have been cautiously critical of the cuts bearing in mind that they could inherit the situation.

## Key policies

### Labour:

- Continuing commitment to a 50% participation rate though now extended to 75% to include the new higher level technician class
- Course labelling to be in place for piloting from 2011/12
- Priority to be given to growing more diverse models of provision including more foundation, fast-track, and remote/work based-provision. Advice on options to be provided by summer 2010
- Commitment to opening up progression from apprenticeship and vocational programmes to help develop the high level skills of the future
- Funding priority to be given to STEM subjects and to programmes that develop high level skills in 'new' industries, the UK Commission to advise on graduate supply into high tech industries and universities to indicate how they promote student employability. Further reports on implementation due spring and autumn 2010
- An ambition to position UKHE as a leader in online learning by 2015. Task force report due autumn 2010
- Continued efforts to widen participation including in selective universities as per the Harris report due spring 2010
- Review of fee system to be completed summer 2010; phase 2 under way looking at future funding, student finance, p/t provision and the impact of the cap
- Commitment to a balanced contribution fee model between the individual, the state and the sponsor/employer with an enhanced system of student bursaries

### Conservative:

- Support top-up fees but expect universities in return to provide better support
- Set up a national information and intelligence website for application to HE
- Create 10,000 new places
- Strengthen progression from vocational and work-based routes in to HE
- Review the student loans system, fund expansion of HE through an incentivised early repayment scheme

### Lib-Dems:

- Scrap university tuition fees for first degrees and phase out fees generally over the next six years
- Encourage more vocational progression into HE

## Technology

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Both major Parties have openly declared their enthusiasm for science and technology as both an educational and political issue.

In March, Gordon Brown set out his Party's thinking in a set piece speech on '*Britain's Digital Future*' while the Conservatives launched their Technology Manifesto. Both see technology as a tool that can open up government and make it more accessible and transparent to consumers but also something that can create jobs and transform learning.

A key point of difference is how to fund and increase broadband expansion. Labour has proposed putting a small levy, "*50p a month about the price of a pint of milk*" according to Gordon Brown, to help fund a partnership with the private sector to create a superfast broadband network across Britain. The Conservatives are claiming their superfast network will be "*50 times faster than Labour's*" and would be funded by private sector investment although if that failed to deliver, they would use the part of the BBC licence fee set aside for the digital switchover.

In two other areas, there is agreement between the Parties in principle if not approach.

One is about using technology to transform the relationship between government and citizens. Gordon Brown is promising to update Directgov with "*a simple dashboard*" to be known as Mygov that will allow people "*to manage their pensions, tax credits or child benefits; pay their council tax; fix doctor's appointments and control their own treatment and apply for the school of their choice and communicate with teachers*" online and when they need it. The Conservatives equally are keen to put intelligence and opportunities into the hands of the people through a new '*Right to Data*' tool which would unleash monthly data on such things as crime maps, school performance and business opportunities.

The other area in which there is some commonality is in the use of technology to cut costs and ensure efficiencies. The Conservatives, for example, are pledging to publish online "*every item of central government and quango expenditure over £25,000*" along with MPs expenses and top bosses' salaries; Labour is pledging savings from using technology to share services, cut back office functions and put more transactions online.

Three other points are worth noting.

- The era of large government IT contracts appears over. The Conservatives are promising to introduce "*a presumption against government IT contracts over £100m*" and both Parties are looking for a different approach to contracting and procurement
- Ed Balls has already signalled a £40m reduction in the budget of Becta; this reflects a move towards a public/private system of IT procurement and support for schools
- Both Parties have commissioned a number of people to work up aspects of their policies in this area. Labour has, for example, Sir Time Berners Lee and Professor Nigel Shadbolt heading up a new institute of web science while the Conservatives have had Sir James Dyson looking at how to improve science and technology in schools and increase Britain's potential as a high tech exporter. These and other names may have key roles in any future government

## The Election

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Most people are predicting a close result, even perhaps a hung Parliament.

Although the gap between the main Parties narrowed for a while, the Conservatives start the election campaign with a lead variously given as 5%-10%.

What is evident however is that for the first time for perhaps 20 years, the result is not a foregone conclusion. Both major Parties have been targeting key marginal constituencies as well as key target groups such as 'mainstream mums.' Mumsnet, for instance, may influence the vote in as many as 53 constituencies. The Conservatives have adopted the Obama mantra of the need for change arguing that '*we can't go on like this*' and '*we can't afford five more years of Gordon Brown.*' Labour has been trying to paint the Conservatives as inexperienced and confused, claiming for instance that they have made wrong decisions on the economy.

Following their Spring Conferences, each Party launched its respective campaign slogan and pledges. Labour's campaign slogan is '*A Future Fair for All*' and its five core pledges are:

- Securing the recovery
- Protecting frontline services in health, including a national care service
- Protecting frontline services in education, largely schools
- Tackling anti-social behaviour, including an extension of the youth guarantee
- New industries, future jobs, particularly in areas such as digital media, clean-carbon technology, life sciences, the green economy

The Conservative slogan is '*Vote for Change*' and its six pledges are:

- Act now on debt to get the economy moving
- Get Britain working, by boosting enterprise, getting people off benefits into work
- Make Britain the most family friendly country in Europe, including using the tax system to recognise marriage, supporting young families
- Back the NHS, and make it more customer orientated
- Raise standards in schools, give teachers more power, reform the curriculum
- Change politics, more transparency, fewer quangos, greater accountability

The Lib-Dem slogan is '*Change that works for you : Building a fairer Britain*' and its has four pledges:'

- A fair tax system, including raising the basic threshold to £10,000
- A fair start for children with smaller classes and a pupil premium
- A fair and sustainable economy, greener and less dependent on financial services
- A fairer political system with more accountability of MPs and reform of the voting system

These four points are also likely to constitute the bargaining chips for the Lib-Dems in the event of a hung Parliament.

Traditionally, if the Lib-Dem Party wishes to enter into any coalition arrangement, it has to get 'triple lock' clearance from its MPs, its executive and from a majority of delegates. It's not known if this would apply this time and anyway, Nick Clegg has said he's not interested in working with Gordon Brown although both Peter Hain and Lord Mandelson have argued that there is common ground between the two Parties in areas like constitutional reform, public service reform and building economic recovery.

As for working with the Conservatives, according to Julian Astle the Director of Centre Forum who has examined this issue, while the two Parties may be close on matters such as public sector reform, they are "*poles apart on issues such as tax, the environment, Europe and voting reform.*"

The main aim it seems is to avoid another costly election too soon.