

# Fight for Free Schools

by Suella Braverman MP





# Foreword

My name is Kavit and I have been at Michaela, our unique and inspiring free school, for five years. I have just finished Year 11 and taken my GCSE exams.

I am in the first cohort of pupils at Michaela. I remember when there were just 120 of us here. Now we have 600 pupils and, in two years, we will have over 800.

Michaela has opened so many doors for me. I have been given so many opportunities to become a better person. Michaela is like nowhere else. Firstly, there is no bullying in the school. Michaela's very high standards of behaviour have led to a friendly environment where younger pupils can go to older pupils for help. Weaker pupils are not scared of being picked on and pupils from different backgrounds can mix and become friends. We all feel safe and cared for by our teachers at school.

Michaela also has a brilliant system called 'Family Lunch'. During lunch, every pupil at each table has a role to ensure everyone has participated. The roles range from serving food to cleaning the table. This means pupils from different backgrounds have the opportunity to mix, allowing pupils to learn about other cultures and religions.

Michaela teachers are all extremely hardworking. There isn't a single teacher at Michaela who doesn't put 100% into every lesson. The teachers even stay for hours after school, helping pupils who may be unsure of a particular topic, and creating new booklets to use in lessons. During lessons, the teachers make sure all pupils are happy with what they are learning before moving on to the next topic.

The ethos at Michaela benefits the pupils in so many ways. I transformed from primary to secondary school. This was quickly noticed by both the teachers and my parents. They saw me reading bigger books, revising more, helping more at home and I was a much nicer person overall. Michaela inspired me to reach for the top. After GCSEs I want to study Maths, Further Maths, Economics and Physics at A Level at Michaela. My aim is to graduate from Cambridge University with a Maths degree.

The school always helps me overcome any hurdles I encounter and the most special thing is that whenever I have a problem that is troubling me, no matter what that problem is, I can always go to talk to a teacher and they will give me brilliant advice. The advice my teachers have given has shaped me into the person I am: someone who perseveres and who is stoical.

I am really excited about next year, starting at Michaela's Sixth Form, and I am crossing my fingers that I get into Cambridge. It would be a dream come true.

– Summer 2019



## About the Author

Suella Braverman is the Conservative Member of Parliament for Fareham, first elected in 2015. She served on the Education Select Committee between 2015 and 2017 and as a government minister in 2018. Prior to becoming an MP, Suella worked as a Barrister in London, specialising in judicial review, housing and planning and worked as Treasury Counsel, representing government departments.

She co-founded a free school, Michaela Community School, in her home town of Wembley in 2014. She holds degrees from Cambridge University, the Sorbonne and is qualified as a New York Attorney.

## About the Centre for Policy Studies

The Centre for Policy Studies is the home of a new generation of conservative thinking. Its mission is to develop policies that widen enterprise, ownership and opportunity, with a particular focus on its core priorities of housing, tax, business and welfare. In 2019, ComRes found that the CPS was the most influential think tank among Conservative MPs.

Founded in 1974 by Sir Keith Joseph and Margaret Thatcher, the CPS is responsible for developing a host of successful policies, including the raising of the personal allowance, the Enterprise Allowance, the ISA, transferable pensions, synthetic phonics, free ports and the bulk of the Thatcher reform agenda.

## Acknowledgements

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Lastly, thank you to the children who never cease to amaze me with their thirst for learning, capacity for growth and beautiful souls.



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# Introduction

*Learning is like rowing upstream: not to advance is to drop back*  
– Chinese proverb

Free schools change lives. If the foreword by Kavit fails to move you to see the remarkable impact of empowered teachers in an effective school, I'm not sure anything will. Michaela Community School is just one outstanding example of how a group of teachers, parents and community-minded locals worked together to design, build and run a free school that is transforming the lives of its pupils. Having been part of that team – as a co-founder and Chairman of Governors – I am obviously passionate about free schools.

From the community, for the community. That is the beauty of free schools. They are demand-led, and responsive to the particular needs of an area. The many freedoms that come with setting up a new school allow for innovation and good results. Michaela is in Wembley, in the London Borough of Brent, and many of our children start with below average reading and numeracy levels, speak English as a second language, have been excluded from other schools or have a Special Education Needs statement. The compelling stories of progress and transformation at Michaela Community School are real evidence of how freeing up teachers works.

With rising levels of youth violence in our communities, the need for robust teachers has never been stronger. With growing fragmentation in our society, British values and a sense of belonging – cultivated through the cultural, historic and social ties that bind us – are vital. With a competitive global jobs market and the unprecedented pace of technological change, future generations will not only need basic numeracy and literacy but also an aptitude for mastery and innovation.

England has seen considerable progress in educational outcomes since 2010. We were a nation slipping down the international league tables; 20 per cent of our 16-year-olds were unable to read or do basic maths. Now, thanks to the introduction of phonics testing, more rigour in our examinations and a stretching national curriculum, such outcomes are no longer the norm. Free schools have also unleashed innovation and dynamism in pedagogy, teacher training, discipline and leadership. Challenge to the status quo is galvanising education.

This paper advances three main arguments. Firstly, that free schools are now a proven success story and are improving educational outcomes. Secondly, notwithstanding that track record, since 2015 the free schools programme has stalled as vested interests fought back against it. It is now at risk of grinding to a halt. And lastly, there are practical ways in which this slow-down can and should be reversed. I hope, for the sake of our young people and the future of our country, that the free schools programme does not drop back but instead keeps advancing from success to scale.



# Executive Summary

On entering office in 2010, the Conservative Party inherited an education system long in decline when measured against international standards.

The UK had, for example, been falling down the PISA league tables in science, reading, and maths.

The free school policy was one key means of arresting that decline. Groups of parents and teachers or charitable organisations would be able to apply for funding from the Department for Education (DfE) to establish a new school. Local demand was meant to be the driving force, and schools would be built from the bottom-up, not the top-down. The free school policy was a development of the academy policy, by which schools were liberated from local authority control. Indeed, once opened, free schools are legally identical to academy schools.

Free schools empower parents to choose how their children are educated. Liberalisation – and the resulting autonomy, accountability, and innovation – is intended to drive up standards. Pioneering free schools are meant to challenge failing pedagogical orthodoxies. And since bad schools are mostly a burden on the poorest, social mobility should be enhanced as a result.

Crucially, the original intention was to create a demand-led, surplus-places competitive system: one government policy document referred to “injecting competition between local schools”<sup>1</sup>

## A strong start

The evidence is in: free schools are a success.

- They are 50 per cent more likely to be rated outstanding by Ofsted than other types of school.
- Both primary and secondary free schools have the highest ratio of top-three preferences to places available of all school types.
- Despite only being 2 per cent of all schools, free schools have four of the top ten schools in the country in terms of Progress 8 scores.
- Primary free schools have the best Key Stage 1 results of all school types. Secondary free schools' Attainment 8 results are second only to converter academies, but they do best on Progress 8. Sixth-form free schools have the best A-Level results of all school types.
- Disadvantaged pupils do better in free schools, and free schools are also more likely to be set up in deprived areas, with three times as many in the most deprived local authorities as the least deprived.

<sup>1</sup> All quotes and statistics in this section are referenced in the main document rather than here.



Further, there is no evidence that free schools – as critics sometimes allege – achieve their good results at the expense of surrounding schools.

Nor are concerns about free school closures warranted: when there is a story in the press about a “free school closure”, it usually concerns a studio school or university technical college. These schools face real and unique challenges and are in need of reform (see Appendix). However, the closure rate for ordinary free schools is practically the same as for non-free schools.

## The Risk of Stalling

Despite the success of the policy so far, the pace of new free schools entering the education system has slowed. At the current rate, of the 24,000 schools that exist in England, fewer than 500 will be free schools by May 2020 – a decade after the programme began. Indeed, even if the same number of free schools open in the next ten years as did in the past ten, only 4 per cent of schools will be free schools by 2030.

The Government has slowed the programme by restricting the opening of free schools to geographical areas where existing schools have extremely poor results and where there is a quantitative need for school places – that is, where there are or are projected to be more pupils than places. This is contrary to the original ethos of the policy: that groups of parents, teachers and others should be able to open a free school so long as there was local demand – as shown by parents wanting to send their children to a new free school, irrespective of existing provision.

The number of parents not achieving admission to first-preference schools for their children might be a useful indicator of this local demand. Analysis from the New Schools Network suggests that in approximately half of local authorities, places are insufficient to meet first-preferences. In a properly demand-led system we would expect almost all children to be placed in first-choice schools. Exam results and quantitative shortages make a poor proxy for the stated preferences of parents.

The Government needs to decide if it wants to pursue the free school policy in accordance with this original ethos – that no child should be forced to attend a poor school when a better one is viable – or simply use it as means of delivering new schools as population growth demands. This report argues strongly for the former course.

## Getting Free Schools Back on Track

To restore the original ethos of the policy, all good free school applications should be approved when there is clear local demand. That would be the ideal free schools policy.

Should such an approach be considered too radical, then a second-best option would be to always allow new free schools in areas where attainment in existing schools is below average. To force children into failing schools is wrong. Regardless of where they come from, the Government should also accept applications to establish new free schools that:

- show an innovative and potentially useful approach to learning;
- have significant levels of community and parental support.



The requirement that there must always be a quantitative need for new school places should, in either case, be abandoned.

Opening free schools where there is no existing shortage of pupil places will inevitably lead to surplus places being created. It's important to remember, however, that surplus school places do not affect revenue spending, as this operates on a per-pupil basis, and the number of pupils is of course fixed. Nevertheless, a free school programme that results in surplus places does have implications for capital spending. Opening new schools can be an expensive business.

As such, to realise the ambitions of the policy, there must be an increase in the capital funding available for new free schools. At the moment, things are heading in the opposite direction: real per-pupil capital funding declined by 10 per cent in the decade to now. I therefore propose a variety of ways to reduce the cost to the taxpayer of a bigger, better free school programme:

- Offering to accept applications for new free schools that agree to revenue funding at 90 per cent or 95 per cent of the normal level, so that over time the additional capital spending by the DfE is recovered.
- Supporting neighbourhood plans that propose free schools in order to reduce the cost of land acquisition.

- Exploring innovative new approaches to bringing more private funding into state education.

To further galvanise the free school programme, I propose the following measures:

- The New Schools Network should receive additional DfE funding to scale up the programme by which it identifies teams of parents, teachers and charitable groups in areas where there are no free schools, and assists them in building their capacity to successfully apply to open a free school.
- A peer review process for new free schools should be developed to help identify teething problems before they become entrenched. These should take place before the formal Ofsted inspections so that free schools in difficulties can be picked up as quickly as possible.

Overall, decisions made by the incoming Government will be critical to the future of the free schools programme. We need to make sure that a decision is made to drive forward success rather than to retreat. The overriding objective of this report is to set out why reforms to the free schools programme are necessary, and then to outline how they can be made. In recent years, vested interests have derailed free schools. We need to get them back on track.





# PART 1

## A Strong Start, 2010-2015

### Free schools became a flagship Conservative policy in the run-up to the 2010 General Election.

As Shadow Secretary of State for Children, Schools and Families, Michael Gove set out his vision to shake up “the defeatism, the political correctness and the entrenched culture of dumbing down that is at the heart of our educational establishment”.<sup>2</sup>

The backdrop to his proposed “schools revolution” was one of slipping standards hurting educational performance, particularly for poorer students.

- In 2009/10, Ofsted found that 55 per cent of the 220 schools judged *outstanding* on their last inspection were no longer *outstanding* when re-inspected.<sup>3</sup>
- A fifth of 16- to 19-year-olds were leaving school functionally illiterate and innumerate, because English and maths skills had failed to improve over the preceding 20 years.<sup>4</sup>
- 71 per cent of schools serving the least deprived pupils were judged *good* or *outstanding* compared with 46 per cent of those serving the most deprived.<sup>5</sup>

- A report by the Equality and Human Rights Commission on fairness in Britain exposed an education system where outcomes differed markedly by gender, socio-economic group, ethnicity and disability.<sup>6</sup>
- Poorer students fell further behind their better-off contemporaries while they were at school.<sup>7</sup>

Most alarmingly, the UK had fallen down the international league tables since 2000. The OECD’s widely-reported PISA rankings showed that the UK had fallen out of the top ten for science, reading and maths, dropping to 16th, 25th and 28th place respectively by 2009.<sup>8</sup> The rankings also highlighted that the best school systems were also the most equitable, with strong discipline and high status for teachers.<sup>9</sup>

In response to these developments, the Conservative Party’s 2010 election manifesto set out a new program of school reform. Part of this drew on the example set by free schools in Sweden and charter schools in the US.<sup>10</sup> The proposed English reforms were not intended to produce a carbon copy of either system, but instead aimed to fuse together the best elements of both in an effort to drive up standards and results.

2 “Michael Gove: Failing Schools Need New Leadership,” SayIt, accessed February 12, 2019, <https://conservative-speeches.sayit.mysociety.org/speech/601288>.

3 Christine Gilbert, “The Annual Report of Her Majesty’s Chief Inspector of Education, Children’s Services and Skills” (Norwich: Ofsted, 2010), 31.

4 Sammy Rashid and Greg Brooks, “The Levels of Attainment in Literacy and Numeracy of 13-to 19-Year-Olds in England, 1948-2009,” 2010, <https://dera.ioe.ac.uk/21953/>.

5 Gilbert, 31.

6 “How Fair Is Britain?” (Equality and Human Rights Commission, October 1, 2010), <https://www.equalityhumanrights.com/en/publication-download/how-fair-britain>.

7 “How Fair Is Britain?”

8 “PISA 2009 Key Findings,” OECD, 2009, <http://www.oecd.org/pisa/aboutpisa/pisa2009keyfindings.htm>.

9 Sean Coughlan, “UK Schools Fall in Global Ranking,” December 7, 2010, sec. Education & Family, <https://www.bbc.com/news/education-11929277>.

10 *The Conservative Manifesto 2010* (Conservative Party, 2010), 53, <https://www.conservatives.com/~media/Files/Manifesto2010>.



The key idea was to increase the supply of good school places. As things stood, new schools could not usually be established within the state-funded system while there were still surplus places available in local schools – however inadequate those schools happened to be. Under the Conservative Party's new free schools programme, on the other hand, parents would be able to push for free schools to be set up outside the normal allocation of school places.

The establishment of new free schools – which would, like academies, be largely free from local authority control – was intended to have several effects. Firstly, it would allow for more diversity and innovation in schooling. Secondly, it would give parents a meaningful choice about where their children should go to school. And thirdly, a demand-led, surplus places system of competition would drive up standards: with money following the child to a school of their parents' choice, education providers would be under pressure to attract students.

More fundamentally, free schools constituted a move away from an education system driven primarily by a desire to control costs within existing structures, to one that was meant to adapt to “consumer” demand – as evidenced by applications to establish new schools. This was the thinking behind the revolution set in motion by Michael Gove and the movement he assembled.

The first piece of education legislation passed by the new Government in 2010 was the Academies Act, which made provision for free schools in England. Importantly, free schools were required to follow many of the same standards and regulations as maintained schools:

- Student outcomes would be monitored through inspection by Ofsted and must meet national floor targets.

- No selection by academic aptitude would be permitted, although up to 10 per cent of pupils could be selected for sporting and musical reasons, respectively.
- If a school of a religious character was oversubscribed, at least 50 per cent of places must be allocated without reference to faith.
- The schools would be publicly funded, free to attend, and subject to the School Admissions Code.
- Primary school class sizes would be limited by statute to 30 pupils (there is no cap on class sizes in secondary schools).
- Funding per pupil would be comparable to other state schools in the area once the school was full, but would vary significantly by local authority.
- Schools would be able to subcontract elements of management and administration to other private sector organisations.
- All exam results would be made publicly available.

Free schools were placed on the same legal footing as academies. This meant they enjoyed greater freedom than local-authority-maintained schools. They are exempt from the national curriculum (although teaching is still required to be broad and balanced), are free to change the length of the school day and term, are responsible for their own special needs provision, and have greater flexibility over student assessment. They are responsible for their own teacher pay, conditions, and performance management (and teachers are not required to have traditional “qualified teacher status”). Free schools are also funded directly by the DfE via formula, and have full flexibility over the allocation of those funds once they are received.



The free schools programme survived the Coalition negotiations in 2010. There were 323 separate applications to open free schools in the first wave, and 24 opened their doors in September 2011.<sup>11</sup> At the time of writing, there are 442 open free schools, with another 262 in the process of opening – though this is often a lengthy process.<sup>12</sup> More than 400,000 school places have been created by free schools.<sup>13</sup>

## The early success of the free schools programme

Early results show good outcomes at free schools. They perform well compared to other types of state school and are raising educational standards overall.

According to Ofsted, 86 per cent of free schools that have been inspected are rated either *good* or *outstanding*.<sup>14</sup> Thirty-two per cent of inspected free schools have achieved the highest *outstanding* rating in comparison with 21 per cent of all other schools. Free schools overall are 50 per cent more likely to be rated *outstanding* than other schools.<sup>15</sup>

These figures are all the more impressive given that many of these free schools have only opened recently. Ofsted inspectors are known to be cautious in awarding top marks to newer schools that only have a limited pool of data available. Pupils are clearly demonstrating a remarkable improvement in educational

achievement. This is particularly true given that since 2015, new free schools have been required to open in areas where school standards are lower than average. As a consequence, these good results stand in stark contrast to what went before.

### *Progress and attainment*

On progress and attainment, free schools have shown impressive results. Progress 8 scores, introduced in 2016, capture the progress a pupil makes from the end of primary school to the end of secondary school. In 2018, for the second year running, secondary free schools were the highest performers at Progress 8 with an average score of +0.24.<sup>16</sup> Moreover, despite representing just 2 per cent of all schools in the UK, four of the top ten performers at Progress 8 were free schools in 2018 (see Table 1).

As a category, free schools come out on top for average Progress 8 score across all eligible schools. Indeed, their average score of +0.24 was twice as high as the next highest category of school (converter academies) at +0.12.<sup>17</sup> Local-authority-maintained schools had a negative average Progress 8 score of -0.03. This proves that it is not just a select few free schools that are doing especially well – free schools are seeing greater progress across the board than other models of schooling.

11 Paul Bolton, “Free School Statistics,” Briefing Paper (House of Commons Library, December 2, 2016), 4, <https://researchbriefings.parliament.uk/ResearchBriefing/Summary/SN07033>.

12 “Facts and Figures,” New Schools Network, accessed February 12, 2019, <https://www.newschoolsnetwork.org/what-are-free-schools/free-schools-the-basics/facts-and-figures>.

13 “Facts and Figures.”

14 “Facts and Figures.”

15 HL Deb (10 January 2019) vol. 294, col. 225. Available at: <https://hansard.parliament.uk/Lords/2019-01-10/debates/5C0EE7E4-2A6C-41E2-AA48-8F5335036D95/FreeSchoolsEducationalStandards> (accessed 25 April 2019).

16 “Free Schools Continue to Top the Tables at GCSE,” New Schools Network, October 16, 2018, <https://www.newschoolsnetwork.org/what-are-free-schools/free-school-news/free-schools-continue-to-top-the-tables-at-gcse>.

17 “Free Schools Continue to Top the Tables at GCSE.”



**Table 1: Top 10 Schools by Progress 8 Score**

Rank	School	School Type
1	Tauheedul Islam Girls' High School	Academy Converter
2	Wembley High Technology College	Academy Converter
<b>3</b>	<b><i>Dixons Trinity Academy</i></b>	<b><i>Free School</i></b>
4	The Steiner Academy Hereford	Sponsored Academy
5	Bolton Muslim Girls School	Academy Converter
<b>6</b>	<b><i>Eden Girls' School Coventry</i></b>	<b><i>Free School</i></b>
7	Menorah High School for Girls	LA Maintained School
<b>8</b>	<b><i>William Perkin C of E High School</i></b>	<b><i>Free School</i></b>
9	St Anne's Catholic High School for Girls	LA Maintained School
<b>10</b>	<b><i>Tauheedul Islam Boys' High School</i></b>	<b><i>Free School</i></b>

Source: New Schools Network<sup>18</sup>

Similar success has been seen with Attainment 8 measures, which are weighted calculations of achievement across eight secondary level qualifications. Free schools gained an average Attainment 8 score of 48.9 compared to local-authority-maintained schools at 46.5.<sup>19</sup> In fact, at all years of education, free schools are delivering impressive results. In 2018, for the fourth year running, primary free schools were among the top performing schools in the year 1 phonics screening check and KS1 SATs tests.<sup>20</sup> For sixth formers, free schools are registering better A-level results on average than all other types of state school.<sup>21</sup>

### *Popularity with parents*

Official ratings are just one measure of success. Parents have also delivered a strong vote of confidence in free schools. For one thing, they are more likely to be oversubscribed than any other type of

state school.<sup>22</sup> Secondary free schools receive almost four applications for every place; at primary level there are more than three applications for every place.<sup>23</sup> What's more, both primary and secondary free schools have the highest ratio of top-three preferences to places available of all school types.<sup>24</sup> Secondary free schools attract sufficient numbers of first preference pupils to entirely fill their current capacity.<sup>25</sup>

Part of the appeal of free schools is that they are new and can often be creative and pioneering in what and how they teach compared to existing schools. For example, the Barrow 1618 Primary Free School in Shropshire, which was set up as a free school by local parents, embraces and incorporates its rural surroundings into its curriculum. It was born out of a struggling local authority school that had just 24 pupils left on its roll when it was closed. Barrow 1618 now has a growing waiting list.

18 "Free Schools Continue to Top the Tables at GCSE."

19 Office for National Statistics, "Key Stage 4 Including Multi-Academy Trust Performance 2018 (Revised)" (Department for Education, January 29, 2019), 34, [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/774014/2018\\_KS4\\_main\\_text.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/774014/2018_KS4_main_text.pdf).

20 "National Curriculum Assessments at Key Stage 1 and Phonics Screening Checks in England, 2018," Department for Education, December 13, 2018, <https://www.gov.uk/government/publications/phonics-screening-check-and-key-stage-1-assessments-england-2018/national-curriculum-assessments-at-key-stage-1-and-phonics-screening-checks-in-england-2018>.

21 "Free Schools: Educational Standards."

22 "Facts and Figures."

23 "Facts and Figures."

24 Jen Garry et al., "Free for All?: Analysing Free Schools in England, 2018" (Slough and London: NFER and The Sutton Trust, 2018), 3.

25 Garry et al., 25.



The Europa School in Oxfordshire also capitalised on the opportunity to innovate and has become very popular with parents. One feature of the school's approach is to teach pupils in several languages, enabling bilingualism to develop from an early age. By opting to teach pupils geography in German, or history in Spanish, along with other traditional subjects in English, the immersive language learning experience provided at the Europa School has seen top results for students. The school was oversubscribed by some 30 per cent at its opening and has continued to be oversubscribed at every admission round since then. It currently has twice the number of applicants to places and plans to increase its intake to 90 in the next academic year, up from 56 places at opening.<sup>26</sup>

Michaela Community School opened in 2014 in the London Borough of Brent and has pioneered teaching methods such as a rigorous knowledge-based curriculum, high standards of behaviour and accountability for pupils and parents and a strong focus on British values. Rated outstanding by Ofsted, it too is now oversubscribed and producing excellent outcomes for many pupils who come from disadvantaged backgrounds.

### *Innovation*

This emphasis on innovation isn't just about popularity with parents – it's also a key means by which free schools can inspire change at other schools.

King's Leadership Academy in Warrington draws on techniques used in US Charter Schools in low income communities. Their curriculum includes at least 90 minutes

per week spent completing modules in leadership certified by the Chartered Management Institute.<sup>27</sup> It won the DfE's 2015 Character Award for its approach to building the resilience and determination of its students. Eighty-five per cent of its students received the equivalent of 5 A\*–C grades, including English and Maths, in 2018 (under the previous grading system).<sup>28</sup>

Michaela Community School – where pupils recite great English poetry by heart and are taught hymns like “Jerusalem” and “I Vow to Thee My Country” as a way of instilling British values among a diverse community – is a good example of a free school prompting debate from which other schools can learn. The West London Free School, with its emphasis on traditional methods and a knowledge-based curriculum, is another. Overall, a 2018 report by The Sutton Trust found that one third of free schools have demonstrated an innovative approach to ethos and curriculum.<sup>29</sup>

Innovation is not confined to these areas, however. The burden of school funding has partly been lifted from the taxpayer through third party funding for some free schools. Four innovative maths schools have been set up with King's College London, the University of Exeter, Cambridge University and the University of Liverpool. The Saracens High School in Barnet, sponsored by Saracens Rugby Club, offers pupils access to state of the art sporting facilities. Likewise, the broadcaster Sky offers a wide range of skills and expertise to prepare pupils for work through its partnership with the Bolder Academy in Hounslow. Individual philanthropists such as Lord Harris of Peckham (who founded the Harris

26 Email correspondence with the Europa school

27 “Free School Story: King's Leadership Academy,” New Schools Network, accessed April 12, 2019, <https://www.newschoolsnetwork.org/what-are-free-schools/inside-free-schools/free-school-story-king%E2%80%99s-leadership-academy>.

28 “Data Dashboard,” King's Leadership Academy Warrington, accessed April 12, 2019, <https://www.kingswarrington.com/data-dashboard/>.

29 Garry et al., 9.





Federation) and David Ross (who founded the David Ross Educational Trust) have made substantial contributions and had a considerable impact, transforming education in many parts of the country.

### *Disadvantaged students*

Disadvantaged pupils do better at free schools than at any other type of state school. What's more, free schools are more likely to be located in deprived areas. Of the 381 open free schools for which data is available, one in eight have been set up in the most deprived decile of local authorities, compared with only one in 20 in the least deprived areas.<sup>30</sup>

Free schools have been a vehicle for social mobility in some of London's poorest and most diverse boroughs. In Newham, 61 per cent of pupils at the London Academy of Excellence (LAE) achieved all A\*/A grades in 2018; 26 received Oxbridge offers.<sup>31</sup> LAE was set up in 2012 by seven private schools, including Eton, which provide mock interviews, workshops, exchange visits, resources and teachers. Similarly, Harris Westminster Sixth Form was established in 2014 jointly by the Harris Federation and Westminster School. A third of its intake qualify for the pupil premium, and as of this year 37 of its pupils have received Oxbridge offers,<sup>32</sup> a number that rivals many public schools. Of the 37, 13 are pupil premium students, two have been in care and 14 are from an ethnic minority.

Free schools' success reaches beyond the classroom walls, as they have the flexibility to address some of the complex social challenges affecting local areas. For

example, schools are able to alter or extend the school day to provide a safe space for additional learning and extracurricular activities where child poverty and youth violence are particularly prevalent.

Michaela Community School, for example, opens for a long day, starting at 7.55am. Lessons finish at 3.15pm, but most students stay on to attend after-school clubs. Michaela has also developed a strong ethos designed to impart the "habits of self-discipline" to its pupils: its motto is "Work Hard, Be Kind".<sup>33</sup> Michaela has pioneered "family lunches", during which pupils sit with teachers and discuss current affairs. Time is also made during these lunches for students to openly give thanks for acts of kindness by their teachers or other pupils.<sup>34</sup>

With increasing youth violence in urban areas, free schools have a valuable role to play. By instilling values of discipline, duty and pride in Britain, by challenging the "soft bigotry of low expectations" that plagues many communities, and by adopting innovative behavioural approaches, free schools can make a real difference in addressing the root causes of youth and gang violence.

The University of Birmingham free school has gone one step further in tackling disadvantage and the associated segregation by income that typically occurs in the catchment areas of good schools. This school admits students from multiple catchment areas across the city. Based in Selly Oak, where 72 per cent of the population is white, the other nodes across Hall Green, the Jewellery Quarter and Small Heath bring in a more diverse cohort of

30 "Facts and Figures."

31 "Latest Results," London Academy of Excellence, 2018, <https://www.lae.ac.uk/211/latest-results>.

32 <https://www.thetimes.co.uk/article/school-for-poorest-pupils-gets-37-oxbridge-offers-ct593qpwk>

33 "Our Ethos and Values at Michaela School," Michaela Community School, accessed March 5, 2019, <https://mcsbrent.co.uk/ethos/>.

34 "Family Lunch at Michaela School," Michaela Community School, accessed March 5, 2019, <https://mcsbrent.co.uk/family-lunch/>.



students, giving the school a 42 per cent white population.<sup>35</sup>

### *Competition*

Free schools aren't simply meant to offer a better education to the children lucky enough to attend them. In fact, a key argument for free schools has always been that the innovation, choice and competition they inject into the school system will drive up standards across the board – including in local-authority-maintained schools.

However, as free schools remain such a small part of the educational make-up of the country and have not been around for long, it is difficult to find a statistically robust way to measure this phenomenon in England.

Nonetheless, we have made a tentative attempt at analysis by looking at the results of secondary schools located in the same Middle Layer Super Output Area<sup>36</sup> (MSOA) in the year a new free school opened and two years later, and compared the difference in attainment between those two years with the difference in attainment in England as a whole over the same period.<sup>37</sup> This was replicated for free secondary schools that opened in 2012 to 2016. So, for example, for free secondary schools that opened in 2012, we compared the results of the non-free schools in the MSOA in 2012 to the results of the same schools in 2014, and so on.<sup>38</sup>

For three of the five opening years studied, schools surrounding free schools made more progress in the two years following the opening of the free school than did schools

in England as a whole (positive swing), whilst in the other two of the five opening years studied, the reverse was true (negative swing). The magnitude of the positive swings exceeded that of the negative ones, such that the net swing was 6.2 percentage points in favour of schools surrounding free schools compared to schools in England as a whole. However, as the sample size was small, we only go as far as concluding that there is no evidence of a negative effect of new free schools on surrounding schools and some tentative evidence of a positive effect. Of course, since free schools are overwhelmingly good schools, the total number of good school places has increased, not just been redistributed.

### *Challenges and criticisms*

Despite the clear successes of the free schools programme so far, it nevertheless faces a number of challenges and criticisms. The following sub-sections briefly examine some of the key issues that education reform advocates must confront if they are to effectively make the case for continuing with – and expanding upon – the free schools programme.

#### *Political resistance*

Free schools offer a clear benefit to the nation's children: their results speak for themselves. Yet political resistance to the free schools programme from vested interests, including some local authorities, has been tangible and will most likely intensify over the coming years given the Labour Party's pledge to scrap the policy altogether.

35 Aamna Mohdin, "Together, We'll Flourish": The Birmingham School Tackling Segregation," *The Guardian*, January 15, 2019, sec. Education, <https://www.theguardian.com/education/2019/jan/15/together-well-flourish-the-birmingham-school-tackling-segregation>.

36 A geographic unit of between 5,000 and 15,000 people or 2,000 to 6,000 households, and so a reasonable area within which competition may occur.

37 Differences in attainment rather than absolute attainment are necessary because free schools tend to be located in areas where other schools are already underperforming.

38 The measure of attainment used in the analysis for free schools that opened in 2012 and 2013 is the percentage of students attaining 5 A\*-C GCSE grades including English and Maths; thereafter the measure used is the percentage of students attaining at least a grade C/4 in English and Maths, to make comparisons pre-and-post the 2016 examination reforms possible. There were changes to the methodology for calculating both of measures in 2014 and 2016, but as we're comparing the changes in performance for schools versus England as a whole, so long as the performance of schools and England are being measured using the same methodology in any given year, the analysis is sound.



Local authority opposition to free school planning applications has made parents and prospective teachers reluctant to commit to them. The Southwark Free School is a good example of this. Its planning application was rejected by the local council in 2013, only for that decision to subsequently be overturned by then-Mayor of London Boris Johnson. Unfortunately, the prolonged uncertainty engendered by this planning dispute meant that the school struggled to attract pupils, eventually rendering it financially unviable.

Going forward, it is vital that the innovative spirit of the free schools scheme is not extinguished by politics. The core tenet of school choice, which drives up standards across the board, has been shown to improve outcomes for children from all backgrounds. The Labour Party's resistance to free schools has made it harder to push them forward. But the Conservative Party must also shoulder its share of the blame: its reluctance to promote and champion free schools in recent years has played a key role in stalling their progress. My party has been too willing to surrender to "the blob" – as advocates of the educational status quo are sometimes known – and as a result have allowed one of our most important policy reforms to run aground.

### *Land availability*

Finding suitable sites for free schools has been challenging, especially in the densely populated urban areas where demand for new school places has tended to be highest. The DfE's property wing, LocatEd, had to be creative in finding solutions to this problem. Free schools have opened in former

churches, offices, factories, and fire stations – and even above a supermarket.

When we were setting up Michaela Community School, we had a clear vision of the school, including details on the timetable, the curriculum, governance and the school uniform. However, we were set back by two years because of difficulties in finding a suitable location in London. This cost us time and money and illustrates how finding a site can make or break a new project.

### *Closure rates*

Critics of the free schools programme often cite free school closures as a sign that the policy as a whole is failing. However, claims about the scale of these closures often combine figures for free schools with those for university technical colleges and studio schools, which paints a misleading picture.<sup>39</sup> Sometimes they also include schools that have failed to open in the first place or have been re-brokered to new sponsors.

Rather than focusing on particular free school failures, we should compare the overall rate of free school closures with that of other schools. In December 2018 the Government confirmed that while 442 free schools stood open (along with 50 UTCs and 27 studio schools), a total of 13 free schools had closed since 2011 (along with seven UTCs and 21 studio schools).<sup>40</sup>

While UTCs and studio schools have clearly struggled, the proportion of closures for mainstream free schools is comparable to that for other state schools. The rate of free school closures, excluding studio schools and UTCS, is 2.93 per cent since 2010.<sup>41</sup> The rate of local authority school closure over

39 Freddie Whittaker, "Fact Check: How Many Free Schools Have Actually Closed?," Schools Week, December 15, 2018, <https://schoolsweek.co.uk/fact-check-how-many-free-schools-have-actually-closed/>.

40 Nick Gibb, HC Deb, 14 December 2018, cW. Available at <https://www.parliament.uk/business/publications/written-questions-answers-statements/written-question/Commons/2018-12-04/198853/> (accessed 29 April 2019).

41 The rate here is simply the number of (relevant) schools that closed as a proportion of the number open today. This includes post-16 and alternative Free School provision, but excludes studio schools and university technical colleges.





the same period was only slightly lower at 2.35 per cent.<sup>42</sup>

Thus, while free schools on average do better than other schools in terms of pupil results, this does not come at a cost of a higher number of failures. The specific problems faced by UTCs and studio schools are addressed in the Appendix.

### *Bad schools and extremists*

Some say that the free schools policy is a vehicle for inexperienced triers or even extremists to create schools.

The Al Madinah free school in Derby was placed into special measures after being found “dysfunctional”, with allegations of discriminatory practices and financial irregularities.<sup>43</sup> In other cases, such as the Bolton Wanderers Free School in Lancashire and the Robert Owen Academy in Herefordshire, an alternative style of education failed to attract enough pupils.<sup>44</sup> Durham Free School – a Christian school – was closed after failing to address major weaknesses in both safeguarding and teaching, as well as a culture of intolerance towards people with different faiths, values and beliefs.<sup>45</sup>

But it’s important to note that fears about narrow religious teachings at faith schools long predate the free schools movement. For example, the maintained John Loughborough Seventh Day Adventist School in Tottenham came under fire over its teaching of creationism back in 2002, and was eventually closed.<sup>46</sup>

Indeed, the wider academies programme came under fire during the “Trojan Horse” scandal, which revealed a failure to safeguard pupils against extremism in some Birmingham academies.<sup>47</sup> The fallout saw new clauses added into funding agreements for academies and free schools, and promises of a “core curriculum” for all schools in England. However, there was no suggestion that the free schools programme was inherently responsible for any failure to stop extremism: the investigation into the Trojan Horse debacle identified problems at local-authority-maintained schools as well as free schools and academies.<sup>48</sup>

Regional Schools Commissioners were introduced in 2014 and given responsibility for tackling underperforming schools – including by making recommendations on free schools.

### *Improvement*

One positive development in the free schools programme has been swift action to help struggling schools. For example, Nishkam Primary School in Birmingham, which opened in the first wave of free schools, was classed as *requires improvement* at its first Ofsted inspection in 2013.<sup>49</sup> Following a speedy change in head teacher, the school was deemed *outstanding* after just two years as its trust leaders intervened to regularly and rigorously

42 Local Authority schools here includes post-16 and alternative provision; it does not include academy schools.

43 “Muslim Free School ‘Dysfunctional,’” October 17, 2013, sec. Derby, <https://www.bbc.com/news/uk-england-derbyshire-24548690>.

44 Rebecca Cain, “Government Tells Hereford School It Should Close This Summer,” Hereford Times, March 16, 2018, <http://www.herefordtimes.com/news/16091590.government-tells-hereford-school-it-should-close-this-summer/>.

45 “‘Inadequate’ Free School to Close,” February 25, 2015, sec. Tyne & Wear, <https://www.bbc.com/news/uk-england-tyne-31632509>.

46 Tania Branigan, “Creationist Row Blamed on Faith School Support,” The Guardian, March 19, 2002, sec. UK news, <https://www.theguardian.com/uk/2002/mar/19/politics.raceineducation>.

47 Peter Clarke, Report into Allegations Concerning Birmingham Schools Arising from the “Trojan Horse” Letter (London: Stationery Office, 2014), <http://www.publicinformationonline.com/secure/d52205.pdf>.

48 Clarke, Report into Allegations Concerning Birmingham Schools Arising from the “Trojan Horse” Letter.

49 “Nishkam Primary School Report” (Ofsted, July 18, 2013), <https://files.api.ofsted.gov.uk/v1/file/2245925>.



check on the quality of teaching.<sup>50</sup> Enfield Heights Academy, which opened in 2012, likewise turned itself around from *requires improvement* in 2014 to become *outstanding* just two years later. In this case, the school's trust introduced a range of policies and procedures to hold school leaders, including the governing body, to account effectively.<sup>51</sup> These rapid turnarounds show that while teething problems are inevitable, there are systems in place in free schools that can quickly bring standards up to scratch.

Importantly, for the minority of free schools that are judged as *requiring improvement*, the improvement rate to *good* is quicker than it is for maintained schools. This is because free schools are often inspected early in their development and are therefore able to adapt more easily to new arrangements. This stands in stark contrast to the wider school system. Indeed, the most recent Ofsted Annual Report identified 490 “stuck schools” that had not improved for a long time – they were “stuck” in a cycle of weak outcomes stretching back to 2005. These schools were mainly located in the North East, Yorkshire and the Humber, and the East Midlands.<sup>52</sup>

One goal of an effective education policy should be to root out such failures: a system where no schools had to close would be as suspicious as a system where there were large numbers of closures. That the free school programme appears to see closures broadly in line with the wider education system indicates that the checks and balances put in place by the DfE are working.

Altogether, in a liberal, dynamic system, there will be bad schools created in addition to good schools. But a rigorous inspection and takeover system, and competition, can root out the bad schools and leave only the better ones. On the contrary, in the old, rigid system, failure was left unchallenged, with no effective mechanisms for failing schools to be replaced.

### *Higher costs*

Opening a new free school can be more expensive than simply adding a similar amount of capacity to existing schools. According to the National Audit Office (NAO):

“A place in a primary free school opening in 2013-14 or 2014-15 cost £14,400 on average (33% more than places created in the same years by local authorities), while a place in a secondary free school cost £19,100 (51% more). The higher cost is mainly because free schools tend to involve the purchase of land.”

However, the same NAO report found that free schools cost 29 per cent less, on a like for like basis, than schools built under Labour's Building Schools for the Future programme.<sup>53</sup> This represents a significant saving. Setting up a school from scratch will inherently cost more than maintaining an existing one, but free schools are overall cheaper than past programmes. What's more, spending on free schools as compared to maintained schools levels out over time.

Ultimately, sending pupils to poorly performing schools, and failing to push for innovation and higher quality education because of cost differentials, is simply

50 “Nishkam Primary School Report” (Ofsted, June 8, 2015), 4, <https://files.api.ofsted.gov.uk/v1/file/2484252>.

51 “Enfield Heights Academy Report” (Ofsted, May 20, 2016), 1, <https://files.api.ofsted.gov.uk/v1/file/2569598>.

52 OFSTED Annual Report 2017/18, [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/761606/29523\\_Ofsted\\_Annual\\_Report\\_2017-18\\_041218.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/761606/29523_Ofsted_Annual_Report_2017-18_041218.pdf).

53 “Capital Funding for Schools,” 46.



unjustifiable. The value of a good education is greater than a few thousand pounds at any one point in time – and, indeed, works out at only a few hundred pounds a year over the educational lifetime of a pupil.

**There is now clear evidence that free schools are contributing positively to education provision in England. Where they open, they bring benefits to the children**

**and families directly affected; there is no evidence they do this to the detriment of surrounding schools. Closure rates are not disproportionate when compared to other types of school and negative Ofsted ratings are often met with very rapid improvement. Free schools also provide good value for money. Overall, the evidence is that free schools have started strongly.**



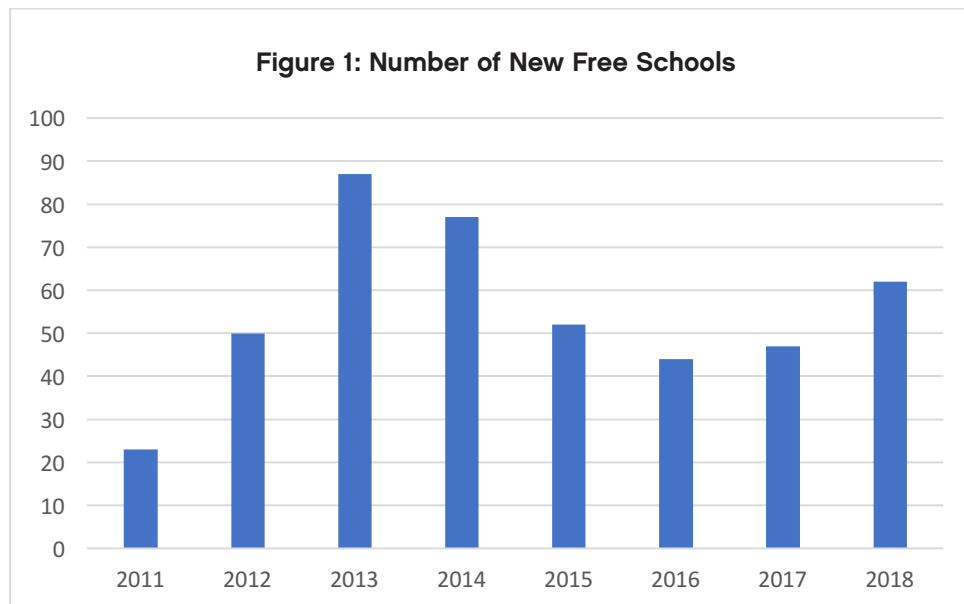
## PART 2

# The Risk of Stalling, 2015–2019

In 2015 the school system was changed so that most new schools would be opened as free schools.

One might have expected this development to substantially increase the speed at which the free school programme expanded.

However, instead of the free school movement taking off, it has continued to expand at a slow rate.



Source: Department for Education<sup>54</sup>

In absolute terms, the opening of free schools has proceeded at a fairly low level. Twenty-four schools opened in the first year of the programme, but the number has gone up and down since, with nearly twice as many schools opening in 2013 as in 2016. Worryingly for free school advocates, the first four years of the programme saw significantly higher opening numbers overall than the most recent four.

In line with the Conservative Party's 2015 manifesto, the DfE aims to open 883 free schools by September 2020, which would be an extra 500 schools since May 2015.<sup>55</sup> However, if we assume the average number of openings going forward is equivalent to that in 2010–2018, which was 55 schools, then given that there are 442 open as of now, it is likely to take another eight years to reach that target. There are 285 free schools set to open in the coming few years.<sup>56</sup>

54 "Open Academies, Free Schools, Studio Schools and UTCs," GOV.UK, accessed March 5, 2019, <https://www.gov.uk/government/publications/open-academies-and-academy-projects-in-development>.

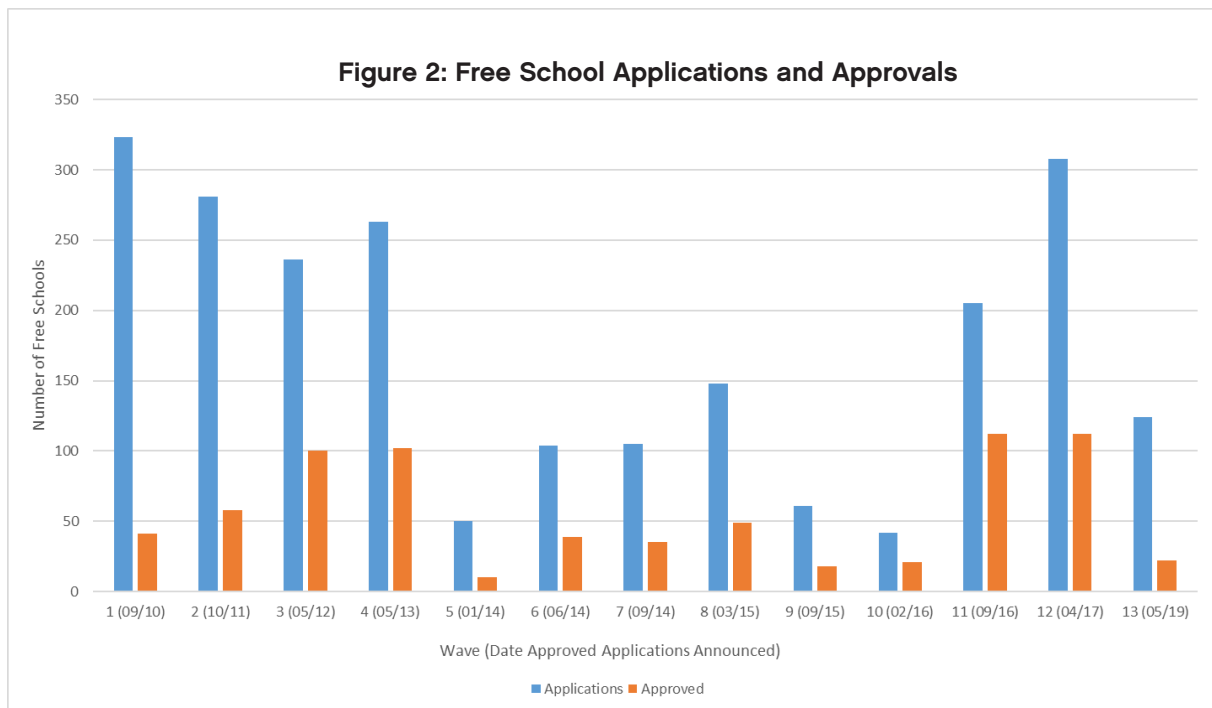
55 "Capital Funding for Schools" (National Audit Office, February 22, 2017), 26, <https://www.nao.org.uk/report/capital-funding-for-schools/>.

56 <https://www.gov.uk/government/news/thousands-of-new-school-places-in-underperforming-areas--2>



Another way of tracking the development of the free schools programme is to look at how many new free school applications and approvals have come in each “wave”. On this measure, too, progress seems to have stalled.<sup>57</sup> As Figure 2 shows, wave 12 was the largest wave in terms of applications and approvals. Wave 13 received only 124 applications; of these, just 22 were approved.

It’s important to realise, too, that there used to be multiple “waves” of free school applications and approvals each year. For example, waves 5, 6, and 7 all opened in 2013, inviting applications to open schools from 2015 onwards. Now, there are longer gaps between waves. Again, this suggests that the pace of progress is slowing.



Source: Department for Education.<sup>58</sup>

All this means that, when looking at the system as a whole, free schools have a long way to go before they are a significant part of our education makeup. At the current rate of free school openings, by 2030 only 4.1% of schools will be free schools,<sup>59</sup> and the programme will be 20 years old.

Indeed, as discussed below, changes to the approvals criteria suggest that even the current relatively slow rate of expansion may not continue. Since the purpose of free schools is to shake up an area by providing a new option to parents, this level of progress indicates the original goal is at risk of being missed.

<sup>57</sup> Table 3 shows the number of applications received and approvals granted for each wave. For wave 13, applications have been received, but are awaiting approval, so the approval rate is a forecast based on the previous 3 waves.

<sup>58</sup> “Free School Applications,” GOV.UK, accessed March 5, 2019, <https://www.gov.uk/government/collections/free-school-applications>.

<sup>59</sup> Author calculation.



## Approvals criteria: from demand to quantitative need

The most important change to the free schools policy, and the one doing most to drag it away from its original ethos, is the DfE's move away from accepting applications simply where there is proven parental demand. Now, they only accept applications where there is a quantitative need for places – that is, where there are or will soon be more pupils than places – and where existing schools are poor.<sup>60</sup>

Essentially, the free schools policy has become a vehicle simply for building new schools as the pupil population grows. Under the new application criteria, the expansion of free schools will be slow. And most importantly, the original, competition-inducing intention of the policy has been abandoned.

The most recent wave 13 proposals have been subject to the tightest criteria yet, with applicants needing to show that:

- a high proportion of the places proposed are required to meet basic need; and
- the proposed school will serve one of the third of local authority districts identified by the DfE as having the lowest standards and capacity to improve; or
- the proposed school is in a pocket of low standards where there is a very strong case that a new free school will address the standards issue.<sup>61</sup>

By contrast, wave 12 applicants had to evidence *one* of the following: a need for places, low standards, a social need, a need for greater choice, or a need for innovation.

### *Slow expansion*

“Need for additional school places” is largely a function of projected future pupil numbers exceeding the number of existing school places. Due to demographic changes, since 2010 there has been fast growth in the number of primary school pupils – 11 per cent to 2017. As a result, numbers in secondary schools are forecast to grow by 16 per cent between 2016 and 2026.<sup>62</sup> However, primary schools will not grow in this same way in future.

If the free schools programme becomes simply a vehicle for delivering new places where there is demographic need, then the number of free schools opened in the primary school sector will diminish as the pupil population grows more slowly. Indeed, the number of primary school pupils is forecast to decline across the next decade.<sup>63</sup> There were 10 per cent fewer newborns in 2017 than five-year-olds.<sup>64</sup>

Over the next decade, it is thus likely that within primary education the free schools programme could more-or-less grind to a halt. It will certainly be difficult for the free schools sector to expand nationally given overall falls in numbers of new primary school pupils. The knock-on effect is that as this demographic change works its way through the school system, it will also become harder to open new secondary free schools.

60 “Free Schools: How to Apply,” Department for Education, January 31, 2019, <https://www.gov.uk/government/publications/free-school-application-guide>.

61 Mark Lehan, “A Simple Guide to the next Wave of Free School Applications,” Schools Week, May 11, 2018, <https://schoolsweek.co.uk/a-simple-guide-to-the-next-wave-of-free-school-applications/>.

62 Chris Belfield, Christine Farquharson, and Luke Sibieta, “2018 Annual Report on Education Spending in England” (IFS, September 17, 2018), 11, <https://doi.org/10.1920/re.ifs.2018.0150>.

63 Belfield, Farquharson, and Sibieta, “2018 Annual Report on Education Spending in England,” 12.

64 “Overview of the UK Population - Office for National Statistics,” November 1, 2018, <https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/articles/overviewoftheukpopulation/november2018>.



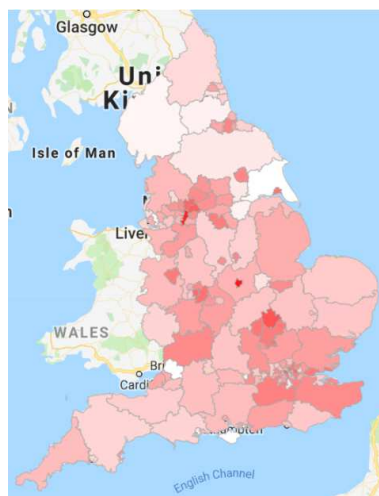
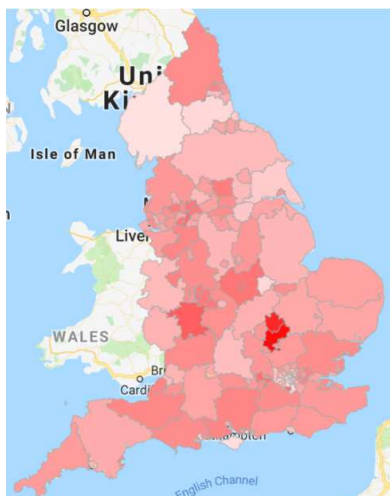
The New Schools Network’s analysis of future demand for primary and secondary school places across the country makes clear that restricting future free schools only to areas where there is a need for more capacity will significantly limit the areas where free schools can be set up. The demand maps below show how the

requirement for basic need leaves many local authority areas with little possibility of free school expansion under current criteria. Forecasts for 2019 pupil numbers across the country suggest that only 17 local authorities require more primary school places, while only 21 require more secondary places.<sup>65</sup>

**Figure 3: Map of Need for School Places**

Primary

Secondary



Source: New Schools Network: Demand – all schools 2019<sup>66</sup>

Darker red implies greater need.

### *A shift in ethos*

The original goal of the free schools programme was to expand the supply of good school places. It did not matter if there were already surplus places available locally; if the demand was there for something new and better, then an application to open a free school would be viewed favourably.

The difference between quantitative need and demand is perhaps best illustrated by first-preference allocations. Analysis by the New School Network shows that in around half of local authorities, there are insufficient places to

meet first choice demand from parents at both primary and secondary level.<sup>67</sup> Yet unless by an accident of geography you also fall into the few dozen areas with a general basic need, a parent failing to get their first choice school cannot even initiate the process for creating a free school place of their preference.

Ultimately, if we are going to tackle chronic under-performance in some areas of our school system – areas where there are frequently ample school places but young people nonetheless emerge from their education ill-equipped for the future – then we need to enable free schools to open.

65 “Map of Need,” New Schools Network, accessed April 25, 2019, <https://www.newschoolsnetwork.org/what-are-free-schools/map-of-need>.

66 “Map of Need.”

67 “Map of Need.”



## The free schools budget

Recent education budgets have not prioritised free schools. For wave 13, for example, money previously ring-fenced for free schools was transferred to the general schools budget. In 2017, the then Secretary of State for Education, Justine Greening MP, announced that £200m would be diverted from the free schools budget so that 30 of the planned 140 new free schools would be created as local authority schools instead. This offered a clear indication that the May Government would not defend free school budgets as a priority.

The figures for capital expenditure are not always obvious. But using the key figures, the CPS has estimated that on a per capita, real terms basis, the level of capital spending has fallen from £3,010 in 2011–15 to just £2,691 in 2016–20.<sup>68</sup> That constitutes a 10 per cent drop in funding.

If we are to build on the clear success of the free schools programme, the Government needs to give priority to the capital spending required to get new free schools up-and-running. Given the long-run costs of poor educational outcomes, it would be a mistake to give up on free schools for budgetary reasons.

## Free schools: expanding or grinding to a halt?

Although new free schools are continuing to open, there has been a marked slowdown in the rate of expansion in recent years. As momentum wanes, there is a risk that progress will grind to a halt. The current programme is slowing down, rather than speeding up – and this is under a

Conservative government that is meant to be supportive of the free schools programme.

In fact, it is even rumoured that the DfE is set to effectively disband its central free schools team, delegating more responsibility for the programme to Regional Schools Commissioners instead. There may be valid reasons for this shift – but if it represents a further downgrading of the free schools agenda by government, then it is surely a matter of some concern. The DfE should maintain its role in driving forward and monitoring free schools as a priority.

More widely, there is a risk that the free schools policy will simply become a vehicle for delivering new school places as required by demography, and that the competition-promoting, choice-enabling objectives of the policy, which were explicit at its inception, become overlooked.

Abandoning the free school policy when there is still so much work to do in transforming our schools would be an enormous shame. There is still a large task ahead to drive up standards in our schools, both domestically and relative to our international competitors. The bottom-up ideals of choice and competition that were inherent in original free schools policy are still needed today – notwithstanding the undeniable progress made in education since 2010.

**Without a radical change to the programme to drive forward expansion, the Government stands little chance of even coming close to meeting its target for free schools next year. A new approach is needed that will remove the barriers to opening new free schools.**

68 Nominal Capital DEL taken from Department for Education accounts. 2014/15 accounts used for 2010/11-2012/13. See page 97: [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/517766/DfE-consolidated-annual-report-and-a-accounts-2014-to-2015-Web-version.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/517766/DfE-consolidated-annual-report-and-a-accounts-2014-to-2015-Web-version.pdf). 2017/18 (latest) DfE accounts used for 2013/14-2017/18. See page 173: <https://www.gov.uk/government/publications/dfe-consolidated-annual-report-and-accounts-2017-to-2018>. 2015 Spending review used for Capital DEL for 2018/19-2019/20. See page 79: [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/479749/52229\\_Blue\\_Book\\_PU1865\\_Web\\_Accessible.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/479749/52229_Blue_Book_PU1865_Web_Accessible.pdf). These nominal figures were turned into real terms figures by adjusting for inflation, in line with ONS CPI data (<https://www.ons.gov.uk/economy/inflationandpriceindices/timeseries/d7g7/mm23>) and forecast CPI from the OBR (<https://obr.uk/supplementary-forecast-information-release-long-term-economic-determinants-march-2019/>). Pupil numbers taken from the DfE's pupil projection model: <https://www.gov.uk/government/statistics/national-pupil-projections-july-2018>.





# PART 3

## Getting Free Schools Back on Track

We know that free schools make a positive contribution and that they drive up results.

That is why we cannot allow the free schools programme to wither on the vine.

### A competitive, surplus-places model

As outlined above, the original free schools programme was designed to create a demand-led system, in which parental desire for better education would lead to new schools opening.

The key to getting the free schools programme going again is a return to the idea of being led by demand, rather than just capacity shortages. The tough criteria applied to the most recent wave of free school applications make it impossible to set up free schools in most parts of the country – even if the local community actively wants to set one up, and existing local schools are poor.

In the context of constrained funds, persuading the DfE and the public that money should be spent building new schools may be challenging. However, surplus places are required to fulfil the competition-promoting objective of the free schools policy: among the objectives stated by the Department in 2010 were “increasing local choice for parents” and “injecting competition between local schools”.<sup>69</sup>

The criteria for approval of new free schools should be changed, allowing applications from areas without basic need or low educational standards. This is particularly true where parents have not been successful in getting their children into their first choice of school. The New Schools Network may have a useful role to play here. Disappointed parents need to be empowered with the knowledge that creating their own preferred schools is an option. Community groups, charities, other education providers, businesses and sports clubs should all be contacted to see what interest there may be in getting together to improve the choice of local schools.

If the Government really believes that it cannot extend the free schools programme that broadly, it should at least relax the need criteria so that if an area has *below average* attainment in existing schools, free schools can open there. This would ensure free schools have the chance to raise standards in the areas that need it most. There would be no corresponding requirement to show that there was a shortage of school places.

In addition, the Government should accept applications to establish new free schools that fulfil the three following criteria, regardless of where they come from:

- i) The application shows an innovative and potentially useful approach to learning
- ii) The application shows a way to reduce the cost of education
- iii) The application has significant levels of community and parental support

<sup>69</sup> “Establishing Free Schools” (National Audit Office, December 11, 2013), 5, <https://www.nao.org.uk/wp-content/uploads/2013/12/10314-001-Free-Schools-Book.pdf>.



It is important that the education system finds ways to progress. While the evidence shows that free schools are having a positive impact, the greatest results over the long term will emerge from the innovation that radical but clear-thinking free schools can deliver. This is particularly true given the cost of education, where “Baumol’s cost disease” applies – it is hard to reduce the cost and improve the quality of education at the same time.

Ultimately, however, this must be a key goal. Just as we have better food and clothes, but at a lower price, than 50 years ago, we need to focus on improving education while also reducing its cost. Free school applications that show an innovative and potentially useful approach to learning, and which can deliver education more efficiently than existing schools, should therefore be looked upon very favourably by the DfE.

Without this pro-innovation approach, we will lose the insights that a handful of bold, ground-breaking free schools could bring to the educational world. Of course, as with all free schools, any such application would have to be rooted in significant community and parental support – potential free schools need to show that sufficient pupils would attend for the school to be viable.

## Costs and funding

It is important to remember that the extra spending required in a competitive, demand-led school system – one which has a small surplus of available places – is confined to capital spending. That is, to the particular costs involved in setting up new schools rather than simply expanding old ones. Revenue spending operates on a per-pupil basis, and the number of pupils is of course fixed.

Nevertheless, expanding free school capacity beyond existing plans requires us to ensure that there is financial headroom to build more. There is no point in simply calling for more free schools without tackling this funding issue head-on.

We need the Government to prioritise free schools in its spending plans, of course. But as advocates of free schools, we should also do our best to make them as affordable as possible.

This means that there are two things we need to do if we are going to drive forward the free schools programme. Firstly, we need to lower the cost of building new free schools. Secondly, we need to bring in new funding sources for free schools.

### *Reducing the cost of new free schools*

There are two obvious ways that we can reduce the cost of building new free schools. One is to let new free schools opt for lower ongoing revenue funding in return for greater capital spending now. The other is to promote easier and less costly access to new school sites by supporting neighbourhood plans that include new free schools. Each of these options is considered below.

#### **a) Lower ongoing revenue funding**

As things stand, average per capita current funding is around £4,900 for a primary school and £6,200 for a secondary school.<sup>70</sup>

When a free school is set up, it should have the option of agreeing to lower ongoing per capita funding – running at either 90 or 95 percent of the funding it would otherwise receive during its first two decades of existence. This could be a key part of any application to open a free school. The savings that result would then be ploughed into the free school’s capital costs.

<sup>70</sup> Belfield, Farquharson, and Sibieta, “2018 Annual Report on Education Spending in England.”



This would fundamentally shift the economics of opening a new free school. For example, over a 20 year period with a 90 per cent per capita funding system, the cost of a new free school would fall by £9,800 per primary school pupil and by £12,400 per secondary school pupil.

The whole point of the free school system is to create innovation and improve outcomes, and there's no reason this can't be done at a lower ongoing cost. It's worth noting, for the sake of comparison, that US charter schools receive 27 per cent less per pupil funding, on average, than government-funded schools.<sup>71</sup> Funding disparities on that scale are not a good thing, and we certainly shouldn't seek to emulate them here. However, this finding does underline two important points: first, that it sometimes possible to do more with less; second, that a 5-10 per cent reduction in ongoing per pupil funding – as suggested here – need not represent an insurmountable obstacle to educational success.

How could schools economise? Well, they can already let out their buildings and other assets to generate additional income – like hiring out IT equipment and charging for parking outside school hours. They can allow sports facilities to be used by the public and charge a corresponding fee. Some schools have even taken more radical steps to set up ongoing revenue streams, such as generating energy from solar panels and wind turbines and selling it back into the grid.<sup>72</sup>

Clearly, permissible revenue-raising efforts should not include selling off the site after the school is set up. In relation to a free school's initial property investment, the Academies Financial Handbook states that written approval must be sought from the Education and Skills Funding Agency before the acquisition or disposal of freehold land or buildings.<sup>73</sup>

Technological innovation is another cost-saving possibility: it is one of the most exciting areas in education, and also a key avenue towards greater efficiency. This year, the Government announced its new Education Technology Strategy to reduce teacher workload, boost student outcomes and help level the playing field for those with special needs and disabilities.<sup>74</sup> It will be overseen by a new EdTech Leadership Group bringing together educators in the industry.

How technology can be used to cut costs is something that should be left to individual schools. For example, it may be that schools which make good use of technology can get by with fewer teaching assistants. In the final analysis, of course, we do not know exactly how those running free schools might be able to reduce costs. What we do know is that if a free school is prepared to run at lower ongoing cost than other state schools, this should be welcomed and encouraged, and can be taken into account at the build costs stage.

71 Corey A. DeAngelis, Patrick J. Wolf, Larry D. Maloney, and Jay F. May, "Charter School Funding: (More) Inequity in the City." University of Arkansas School Choice Demonstration Project, November 2018, <http://www.uaedreform.org/downloads/2018/11/charter-school-funding-more-inequity-in-the-city.pdf>.

72 "Schools Generating Income: A Risky Business?" School Financial Success, April 2, 2017, <https://schoolfinancialsuccess.com/schools-generating-income-a-risky-business/>.

73 "Academies Financial Handbook 2018" (Department for Education, June 2018), [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/714474/Academies\\_Financial\\_Handbook\\_2018.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/714474/Academies_Financial_Handbook_2018.pdf).

74 "EdTech Strategy Marks 'new Era' for Schools" (Department for Education, April 2019), <https://www.gov.uk/government/news/edtech-strategy-marks-new-era-for-schools>.



## b) Neighbourhood plans that include new free schools

Bringing a new free school from inception to opening takes vision, commitment and resources. It is vital that this process is made as smooth as possible, both to attract a wide range of applicants, and to enable them to bring their free school projects to fruition. Parents in particular are likely to be put off if they see the process of getting their school up and running as too difficult. Failures also cost. Figures released by the DfE in 2016 showed that nearly £2 million had been spent on free schools that had failed to open.<sup>75</sup>

Some measures have already been taken to help with planning and the cost of free schools. A policy statement regarding the planning process for free schools was drawn up in 2011; a “Plain English Guide” was issued in 2014.<sup>76</sup> Both emphasise that local authorities should consider free school planning applications with a presumption in favour of development, that they should work collaboratively with applicants, and that any rejections should be clearly justified. They also suggest that the Secretary of State should consider intervening directly and granting planning approval when an appeal against a rejection by a local authority is made. Free schools have some permitted development rights, which allow them to convert existing buildings from other uses without applying for permission – this is mostly helpful in urban areas but has also been extended to agricultural buildings to assist rural applicants.<sup>77</sup>

However, the planning system as it relates to free schools must continue to improve. The main challenge, as identified by the NAO, is the cost of land.

The majority of free schools so far have been set up in urban areas. If the programme were to expand in line with the recommendations made in this report, more planning questions would be raised, particularly in suburban areas surrounded by green belt land.

The government should therefore look at making it easier for local communities to create new schools through neighbourhood plans, which are community led planning documents. The government should automatically fund the creation of any neighbourhood plan which includes a new free school in it. In the past, neighbourhood planning support was worth £25,000 but we recommend that this should be doubled to £50,000.<sup>78</sup>

Since any neighbourhood plan involves a referendum, they would only go forward where there was genuine support for a new free school. The creation of a neighbourhood plan would help capture some of the land uplift, as the local landowner would almost certainly ask for residential development alongside the new school. This could lead to a win-win by allowing much needed local development while also bringing forward a free school. What's more, the policy would be cost effective – the £50,000 we suggest spending on neighbourhood planning is only a small fraction of the £2-5 million that a new free school would cost.

75 George Greenwood, “The Cost of Cancelled Free Schools,” November 2, 2016, sec. UK Politics, <https://www.bbc.com/news/uk-politics-37833390>.

76 “Policy Statement - Planning for Schools Development” (Department for Communities & Local Government, August 2011); “Plain English Guide to Planning for Free Schools” (Department for Communities & Local Government, January 2015), [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/391689/Plain\\_English\\_schools\\_guide.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/391689/Plain_English_schools_guide.pdf).

77 “Plain English Guide to Planning for Free Schools,” 8–9.

78 “Cash Boost for Councils Backing Neighbourhood Planning” (Department for Communities & Local Government, September 2013), <https://www.gov.uk/government/news/cash-boost-for-councils-backing-neighbourhood-planning>.



Neighbourhood plans also help to resolve green belt issues, since it is generally accepted that councils follow the views of local people, as endorsed in a referendum. Such plans therefore offer a fairly uncontroversial way to expand the reach of free schools, while also boosting their legitimacy within communities.

### *Bringing new private funding into free schools*

As well as lowering the cost of building new free schools, we should pursue policies that would attract more private funding into the sector, and therefore remove some of the financial burden of a truly competitive education system from the taxpayer.

I have already noted, above, some of the successes the government has had in attracting support for free schools from generous benefactors. Such efforts should be redoubled within the DfE. We need to make it clear that the free schools agenda hasn't run out of steam, and that in fact we have every intention of re-energising it. Wealthy individuals and companies won't waste their time backing a programme that has become a second thought in Whitehall, but boosting free schools in the way I have suggested creates an opportunity for a new wave of outreach and engagement.

Of course, it isn't necessarily enough to simply ask for more money. The government should also try to develop a set of tax incentives that make donating to – or investing in – free schools that much more financially attractive.

Increasingly, sophisticated fundraising efforts are shifting towards social investment, whereby people put money into enterprises with a social purpose, but with the clear expectation of receiving a modest financial return.

Social Impact Bonds offer one interesting way of structuring a social investment. Essentially, the government decides on a problem, and then private investors put up the money to fix it – whether they get paid back (and how much) depends on how successful they are.

It's easy to see how a Social Impact Bond could work for a free school in an area with poor educational attainment. The DfE could set a challenge for a new school that would improve outcomes above a specified level, and then investors would provide start-up funding to get a free school up-and-running. If the new school met or exceeded its targets, the investors would receive "success payments" which would generate a return on their investment. But if educational outcomes didn't improve, the government would pay nothing and the investors would lose their money.

Effectively, then, Social Impact Bonds reduce the up-front cost of free schools to the taxpayer, while also shifting the risk of failure or poor performance to private investors. The DfE should consider launching a number of Social Impact Bond projects, particularly in those areas (identified above) that suffer from "stuck schools" that have failed to improve for a long time.

We already offer Social Investment Tax Relief (SITR) for these sorts of investments, which allows investors to write off 30 per cent of the funding they put in against their income tax and capital gains tax bills. That doesn't just apply to Social Impact Bonds either – straightforward loans (to cover the cost of establishing a new free school, for example) would also qualify.



SITR could be improved, however. For one thing, qualifying (both for the investor and the recipient of funding) involves a lot of bureaucracy. Why not simply make investment in free schools qualify automatically? Secondly, EU state aid rules currently impose strict limits on the amount of SITR-eligible funding any given institution can receive. After Brexit, these limits could be raised or even scraped altogether. Finally, SITR could be made more generous for investors to encourage more investment in free schools. Up-front tax relief could be increased from 30 per cent; we could also offer additional tax relief on the income that these social investments eventually generate.

There's one further point worth adding. All of the suggestions made above cater primarily to wealthy and sophisticated investors. That isn't necessarily a problem – such people are always likely to be the principal source of private social funding. However, one of the great strengths of free schools is that they are fundamentally a bottom-up, grass-roots endeavour. As such, it would be a shame to exclude ordinary savers – people who might not have much to give, but who would like to support better education locally – from investing in new free schools.

The key to unlocking broader-based funding of this kind is to finally get Social Venture Capital Trusts, which were first announced in 2015, off the ground. The idea here is to set up listed funds that make qualifying social investments, and which retail investors can buy shares in, entitling them to a slice of the returns. SITR would apply to such investments and could, as I've said, be made more generous to attract greater funding.

The DfE should explore the possibility of sponsoring the establishment of a free schools-specific Social Venture Capital Trust. Doing so would give ordinary savers the chance to earn a modest return (no small thing in an era of pitiful interest rates) while also helping to brighten the educational futures of children across the country. If that doesn't make for an appealing prospectus, I don't know what does.

## An expanded role for the New Schools Network

Once we have ensured that additional funding is available for the free schools programme, there are other ways to support its expansion. For example, a peer-review process for newly opened schools and a geographical outreach effort could both form part of a larger role for the New Schools Network.

### a) Peer review

Putting in place a rapid inspection and response regime for all new free schools would prevent obviously bad schools from staying open and protect the reputation of the policy. Currently, Ofsted inspects new schools within three years and usually in the third year.<sup>79</sup> Needless to say, a balance has to be struck between quality assurance and allowing a school time to work through any teething problems it may have. But the system should be toughened up, with a peer review by another, more established free school occurring within the first year of operation – principally to identify any serious problems – and a formal inspection then taking place in the third year.

79 Nerys Roberts, Laura Abreu, and Robert Long, "School Inspections in England: Ofsted," January 18, 2019, 9, <https://researchbriefings.parliament.uk/ResearchBriefing/Summary/SN07091>.



Peer review is already used across the education sector as a mechanism for quality assurance. It focuses on development and improvement rather than evaluation of outcomes and public accountability, as would be the case in a full Ofsted inspection. The results of a peer review are not usually published in the public domain, but instead are used internally by schools as a framework for self-improvement.

I recommend that the New Schools Network, which already offers some support to open free schools preparing for Ofsted inspections, be empowered and given funding to develop an effective programme of peer review that can be formally built into the accountability system.

By bringing in a less formal type of inspection sooner in a school's life, nascent free schools could quickly learn where potential issues may be developing and act swiftly – with advice from experienced free school operators – to rectify the problem. Such a system could also serve to strengthen the network of schools sharing innovative ideas and best practices.

But what should happen to free schools that continue to underperform? Currently, in the event that a free school is judged inadequate by Ofsted, the Regional Schools Commissioner, on behalf of the Secretary of State, can terminate the funding agreement

and arrange for the school to be taken over by a different trust, usually stipulating that the school becomes a member of a multi-academy trust if it is not already (the arrangements for schools that are existing members of MATs are still being developed).<sup>80</sup> This is an option, not a default response; in exceptional circumstances, the school can still be closed.

Following an inadequate inspection, schools are currently re-inspected within three years, irrespective of whether ownership has changed.<sup>81</sup> This process could perhaps be expedited, with a peer review taking place the year after an inadequate inspection, and a full Ofsted inspection being carried out the academic year after that.

#### **b) Geographical outreach**

The distribution of free schools is geographically unbalanced. A third of free schools are in London, though this is partly because of high pupil population growth.<sup>82</sup> At both primary and secondary level, free school places have been created at a greater rate in areas which have a shortage of school places.<sup>83</sup> This means that large swathes of the country remain untouched by the free schools movement. Two-thirds of parents are not within a reasonably commutable distance of either a primary or secondary free school.<sup>84</sup> Despite free schools being popular with parents, most do not have the option to send their child to one.

80 Roberts, Abreu, and Long, 12, 19.

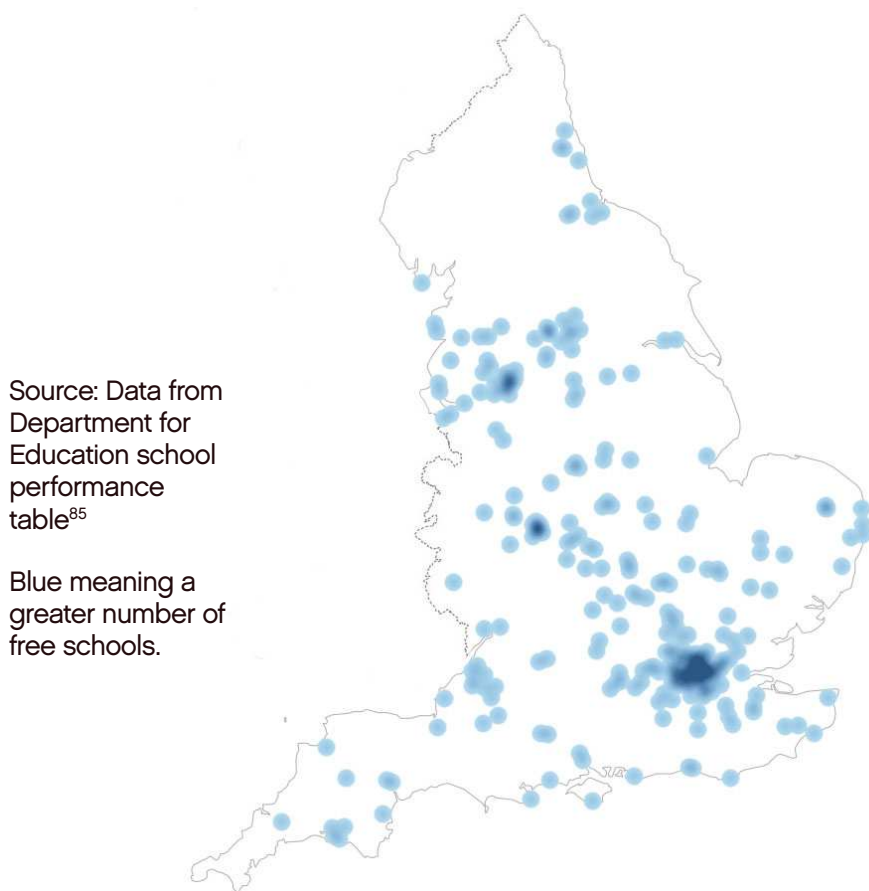
81 Roberts, Abreu, and Long, 12.

82 Jon Andrews and Rebecca Johnes, "Free Schools in England" (Education Policy Institute, November 2017), 14, [https://epi.org.uk/wp-content/uploads/2018/01/Free\\_schools\\_EPI\\_Report\\_.pdf](https://epi.org.uk/wp-content/uploads/2018/01/Free_schools_EPI_Report_.pdf).

83 Andrews and Johnes, 17.

84 Andrews and Johnes, 15.

Figure 4: Free Schools Density Map for 2017/18 (Excluding UTCs and Studio Schools)



Source: Data from Department for Education school performance table<sup>85</sup>

Blue meaning a greater number of free schools.

As the figure above shows, large swathes of the country do not have any free schools at all. Yet there are also parts of country where chronic educational under-performance is a persistent problem. Additional support and resources are required to direct groups to areas where setting up a new free school could make a tangible improvement to outcomes.

Part of the problem is that lines of responsibility for local school planning are blurred. As the Sutton Trust pointed out,<sup>86</sup> the respective roles of local authorities, Regional Schools Commissioners and the DfE leads to duplication of effort and confusion. In addition, would-be founders of free schools are sometimes wary of applying to the very organs of government

that they have previously criticised for poor standards; the worry is that these institutions just won't be helpful partners.

The New Schools Network is the main organisation helping people to propose new free schools and then advance their applications. It has become the authority on how to set up a successful free school, and provides practical advice to potential founders. Yet while this support is invaluable – as I can say from personal experience – the New Schools Network could obviously do much more with greater resources at its disposal, particularly when it comes to proactively seeking out potential school founders, as opposed to just responding to requests for help.

85 "Find and Compare Schools in England," GOV.UK, accessed April 15, 2019, <https://www.gov.uk/school-performance-tables>.

86 Jen Garry et al., 3.





The New Schools Network already has an outreach programme by which it identifies teams of parents, teachers and charitable groups in areas where there are no free schools and assists them in building their capacity to successfully apply to open a free school. I would suggest that the DfE provide additional funding and support to the New Schools Network, so that they can dramatically ramp up this effort.

Expanded outreach should focus, at least initially, on community engagement programmes in areas with “stuck schools”, where entrenched underperformance has proved difficult to break through. It sometimes takes years to build a team and vision for a new free school. But with the right support and encouragement, we could at least get the ball rolling.

**We must not allow the free schools programme to grind to a halt. The Government should relax the criteria which determine whether a free school can be established, removing as part of that process the requirement for quantitative need. Doing this requires us to find innovative ways both to reduce the cost of new free schools, and to attract greater private funding into the sector. Finally, the expanded free schools programme envisioned here should be accompanied by a new peer review process and more proactive outreach and support for potential school founders.**



# Conclusion

## Free schools have been a success where they have appeared.

As we approach the 10-year anniversary of the creation of the free schools programme, it is helpful to reflect upon its effects. Free schools appear to offer good value for money, higher than average outcomes, popularity with parents and tangible improvements in progress and attainment scores, especially for those from disadvantaged backgrounds. Thus, despite political, financial and practical obstacles, free schools are still opening and still changing lives.

However, we cannot ignore the clear signs of slowing delivery that have recently come to characterise the free schools programme. To put it bluntly: the benefits

of innovation, driving up standards and increasing parental choice are too important to our children's futures to be minimised in this way. The free schools sector is proving itself an effective tool for educational advancement; it should be encouraged and expanded, not sidelined or rolled back.

Ultimately, the changes recommended in this report would ensure that the free schools programme remains both radical and pragmatic – radical in how it embraces choice, competition and innovation, and pragmatic in how it deals with failure. Taken together, our proposals would ensure that the free schools programme was dynamic, self-improving and growth-oriented – and driven by the ultimate ambition that all children should get to attend their first-choice school and obtain a good quality education.



# APPENDIX: Studio Schools and University Technical Colleges

University technical colleges and studio schools were introduced alongside mainstream free schools in the 2011 reforms.

They were aimed at 14- to 19-year-olds looking to gain technical and vocational qualifications. Studio schools and UTCs are classified as free schools, but they differ in various ways. While both follow free schools' model of operation, they also have to try to link up with local employers. Employers assist in the design and delivery of the curriculum, which often involves paid work experience.

Specialist 14-19 institutions were needed to overturn the perception that technical and vocational education was less valuable than traditional academic qualifications. Since the 1990s, there had been an explosion in the number of Key Stage 4 pupils students taking non-GCSE vocational qualifications, with almost two-thirds of pupils taking some combination of GCSEs and non-GCSE vocational qualifications by 2010.<sup>87</sup> Schools were seen to steer pupils towards such “GCSE equivalent” qualifications as a way of inflating their academic results.

In her independent review of vocational education in 2011, Alison Wolf concluded that a significant number of non-GCSE vocational qualifications were poor quality, did not open doors to further education or employment, and were poorly understood by both children and parents.<sup>88</sup>

The idea behind studio schools and UTCs was that by collaborating with local businesses, as well as other education institutions, they could restore the status of vocational education with clear routes to work or onward study.

Unfortunately, studio schools and UTCs have proven to be a particularly difficult aspect of free schools policy. As things stand, there are no studio schools in the pipeline and only one UTC.<sup>89</sup> Expansion is also stalling at an individual school level. As of 2015–16, 13 UTCs and seven studio schools were identified as “following a trajectory towards closure”.<sup>90</sup> Many of these schools have subsequently closed.

Although UTCs and studio schools are often designed to be smaller and more specialised, their recruitment problems are plain to see. From 2013–14 to 2015–16, UTCs and studio schools filled around 60 per cent of their planned year 10 places,

87 Will Cook, “Vocational Education in English Schools: Protecting Options for Pre-16 Pupils,” IPPR, May 7, 2013, <https://www.ippr.org/research/publications/vocational-education-in-english-schools-protecting-options-for-pre-16-pupils>.

88 Alison Wolf, “Review of Vocational Education: The Wolf Report,” March 2011, <https://www.gov.uk/government/publications/review-of-vocational-education-the-wolf-report>.

89 “Free Schools and UTCs: Successful Applications,” GOV.UK, accessed April 25, 2019, <https://www.gov.uk/government/publications/free-schools-successful-applications>.

90 Craig Thorley, “Tech Transitions” (Institute for Public Policy Research, May 2017), 3, <https://www.ippr.org/files/2017-06/tech-transitions-may17.pdf>.



leaving them significantly under capacity. Further data from 2018 shows that a third of UTC students are enrolled in one of the 20 UTCs that are suffering from falling student numbers.<sup>91</sup>

One problem – as discussed in the CPS report “Technically Gifted” – is that if a secondary school is undersubscribed in year 10 (the first year of GCSEs), those empty places show up in the annual census that all schools undergo, leading to a cut in its budget the following year. The report also notes that the UTCs and studio schools admit at 14, while the rest of the school system aims to retain pupils from 11 through to 16. Secondary school students are therefore largely unaware of the existence of alternative institutions like studio schools and UTCs. Mainstream schools, meanwhile, have a clear incentive to maintain capacity in order to keep their funding.<sup>92</sup>

Legislation has been passed to force schools to allow studio schools and UTCs access to their pupils to advertise but so far it has had little impact.<sup>93</sup> The only

pupils that schools are keen to give up are those likely to do badly at GCSE, which leads to studio schools and UTCs becoming (or at least being seen as) a “dumping ground” for low-attaining pupils and pupils with complex problems. This leads to such schools operating under capacity, which immediately makes them financially precarious. They perform poorly in league tables due to their intake, their reputation suffers, and then their ability to recruit pupils is further diminished.<sup>94</sup> And on it goes until the inevitable conclusion is reached.

Despite these ongoing problems, it is important that the quest for better provision of technical education is not abandoned. A radical approach is needed to reverse the fortunes of UTCs and studio schools, and the new government should consider a variety of different approaches. For the purposes of this report, however, we shouldn’t let concerns about UTCs and studio schools detract from the impressive results that mainstream free schools as a whole have been able to produce.

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91 Gerard Dominguez-Reig and David Robinson, “UTCs: Are They Delivering for Young People and the Economy?” (Education Policy Institute, October 2018), 7.

92 Toby Young, “Technically Gifted,” Centre for Policy Studies, August 2018, 12, <http://cps.org.uk/publications/technically-gifted/>.

93 Young, 13.

94 Young, 12.

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