

The marketisation of teaching

Dexter Whitfield, Research Fellow in the European Services Strategy Unit at the Sustainable Cities Research Institute, looks at the problems of Local Education Partnerships...

Building Schools for the Future (BSF) has a central role in the Government's strategy to marketise public services. The Education Bill proposals for trust schools, turning LEAs into commissioning bodies and extending academies, reinforce this strategy. This article explains the marketisation process in more detail and discusses why Local Education Partnerships (LEPs) are a threat to Local Education Authorities (LEAs). It also discusses the possible exclusion of soft services and ICT from BSF contracts and the increasing opposition to academies.

Building Schools for the Future is not just about the provision of new schools. The local education authority must fully review its educational vision, and develop a strategy for educational provision, which integrates the building programme with service delivery, a new information and communications technology infrastructure, teaching, school management and community use. The LEP may also provide other services such as educational support services and school transport.

Marketisation is the process by which market forces are imposed in public services, which have traditionally been planned, delivered and financed by local and central government. The process has five key elements:

- Commodifying (commercialising) services – services are changed so that they can be specified and packaged in a contract, thus extending outsourcing and off-shoring;
- Commodifying (commercialising) labour – the re-organisation of work and jobs to maximise productivity, and assist transfer to another employer;
- Restructuring the state for competition and market mechanisms – schools, hospitals and other facilities are compelled to compete against each other; funding is changed to follow pupils and patients; public bodies are reduced to commissioning functions, creating opportunities for private finance and partnerships;
- Restructuring democratic accountability and user involvement – service users are treated as consumers; services and functions are transferred to quangos; arm's length companies and trusts, and privately controlled companies are established within public bodies;
- Embedding business interests and promoting liberalisation internationally – business is more involved in the

public policy making process, and promotes national, European and global liberalisation of public services.

Building Schools for the Future significantly contributes to all five parts of this agenda. Of course, the impact will not be uniform across government, and will depend on the strategies adopted by individual local authorities, trade unions, community organisations and BSF consortia.

LEAs provide schools with a range of educational services, ranging from school improvement and educational development services, special educational needs, management and education ICT services, and human resources. The Government claims that LEPs will create a 'new business' in the local economy. This is not the case because they will simply be replacing LEA provided services with little or no net economic or employment gain. Virtually all the consortia are national firms with national and international production and supply chains for construction equipment, building supplies and materials, fittings and furniture – and, in some cases, labour. Bulk buying and efficiency come at the expense of local and regional sustainable development despite the rhetoric of 'green procurement'.

The (LEP) model will help to drive local education authorities into a commissioning role, which is the Government's longer-term strategy. It provides an opportunity for the private sector to extend asset management to all secondary schools, primary schools and potentially to the rest of the local authority. They are almost certain to advise schools how to obtain trust status and provide services.

The LEP will, in effect, be similar to a framework agreement in which the local education authority and individual schools will increasingly turn to it, for advice, support and consultancy for a widening range of educational services. As a consequence, Direct Service Organisations may become unviable. Design and technical and corporate services will also suffer a loss of work.

Increased outsourcing of LEA services will widen the range of educational services, which will be subjected to the re-organisation of work for contracting and the transfer of staff between employers. The loss of jobs and increased pressure on terms and conditions seems inevitable, with a knock-on effect on the local economy.

It would be naive to believe that BSF will not affect teachers and teaching assistants. The private sector already has a strong foothold in teacher supply agencies, Facilities Management, childcare and, with trust schools able to employ staff, own school buildings and playing fields, administer admissions and form partnerships to supply special educational needs, teachers are, in effect, 'corralled'. Marketisation has reached the core service, teaching.

Furthermore, many of the BSF consortia bidding for contracts include private sector educationalists that believe that computer-based learning can revolutionise learning and achieve 'efficiencies', which, of course, frequently means fewer and cheaper teachers. Much of the ICT support could be outsourced to Asia.

A LEP will erode democratic accountability, notwithstanding the role of the Strategic Partnership Board (SPB). Instead of being established at the beginning of the process and making an important contribution to the development of educational policies, the formation of SPBs is being left to the very end of the process. Local authorities appear to be relying on the private sector (LEPs) to determine the SPB, rather than the reverse. SPBs are likely to be highly proscribed, selectively represent community, trade union, educational and political organisations, and may have limited power to influence the BSF programme.

A privately controlled LEP and commissioning LEA will mean that an increasing element of education and support services will be supplied through contracts with the private sector. Parents and governors will be dealing less and less with education policy, and more and more with contractual matters and commercial issues. The LEP could become the increasingly powerful gatekeeper to educational strategies, policies and provision.

BSF provides a new point of entry for the private sector into educational support services, children's services, and educational information and communication technology. The draft European Union Services Directive and the continued negotiations on the WTO's General Agreement of Trade in Services provide further impetus for British companies to gain experience and shape the BSF for export as an extension of the PFI/PPP model.

The 'education market' also includes childcare, nursery schools, children's centres and after school services. The private sector sees no barriers between primary and secondary education, and childcare provision; they are just elements of a children's market.

Academies

Building Schools for the Future is a key mechanism for delivering academies. Although the BSF guidance states that local authorities should consider the potential role of academies, inclusion is not a condition of funding. In practice, local authorities are being told 'no academy – no BSF funding', which, of course, makes a nonsense of 'freedom and flexibility', and 'localism'.

The House of Commons Education and Skills Select Committee recently criticised the expansion of academies because it is an untested model: the lack of evidence of improved performance (it has declined in some cases), the £5bn cost, the potential adverse effect on neighbouring

schools, and fundamental concerns about the role and function of sponsors.

Exclusion of soft services and ICT

Newcastle City Council has set a national example by excluding soft Facilities Management services (catering, cleaning, grounds maintenance, security and waste management), and Information and Communications Technology (ICT) from its BSF/PFI contract. The ICT contract alone is valued at £16.5m.

Newcastle City UNISON had pressed for the exclusion of both soft FM and ICT at the start of the procurement process, and had commissioned the Centre for Public Services report 'How to Exclude Support Services from Building Schools for the Future and PFI Projects' (see www.centre.public.org.uk). The report uses HM Treasury's Value for Money methodology to demonstrate why soft services should be excluded from BSF and PFI/PPP projects.

The City Council decided not to exclude the services but did agree to require bidders to submit a mandatory bid, which was evaluated with in-house bids from Neighbourhood Services and the in-house ICT service working with Dell. The evaluation process included staff-side input from UNISON and the Centre for Public Services, together with GMB and staff representatives from some of the schools in the BSF project. A Preferred Bidder is expected to be appointed shortly.

Government policy states that support or soft services, such as cleaning, catering, repairs and maintenance, grounds maintenance and security, can be excluded from Private Finance Initiative (PFI) contracts before the procurement process commences. A decision to exclude soft services must be based on strategic priorities, the council's procurement policy and a value for money assessment, which includes life-cycle costs, operating expenditure, third party income and transaction costs. The Treasury has also stated that value for money should not be achieved at the expense of workers' terms and conditions.

We need to reinforce the core values, not weaken or replace them: education should not be for profit; social needs must be prioritised over commercial interests; democratic accountability, transparency and community involvement are prerequisites; community use of schools first, not commercial and corporate functions; and local government's capacity to provide, regulate and safeguard the public interest must be strengthened.

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