

Hot breakfast briefing

24th May 2010

Post-election special

Steve Besley
Head of Policy (UK and International)



Brought to you by the
Pearson Research Institute
www.pearsonresearchinstitute.com

PEARSON

Key phrases/words

- Breaking News
- Nick's leaving his house now
- Triple lock
- Confidence and supply
- Rainbow Alliance
- Progressive Coalition
- First past the post
- Alternative Vote (AV)
- Single Transferable Vote (STV)
- In the interests of the country

PEARSON

Every picture tells a story

Political picture

- new tone
- new dynamics

Economic picture

- the inheritance
- how to deal with it

Education picture

- Party lines
- key issues

PEARSON

1. Political context

Tory theme tunes

- “We’re all in this together”
- “Let’s Get Britain Moving”
- “Big Society not Big Government”
- “People Power”
- “Bye Bye Bureaucracy”

PEARSON

The Lib-Dems 4 Fs

“This manifesto would hardwire fairness into British society based on four concrete steps”

- Fair taxes
- A fair chance
- A fair future
- A fair deal

PEARSON

Coalition Agreement

- *“Even if you’ve read 100 party manifestos, you’ve never read a document like this one”*
- Sets out working agreements in 31 key policy areas
- Launches a number of major reviews
- But has an important caveat
- Common ground
 - reduction in big government, decentralisation
 - green economy
 - public sector reform
 - health and education
 - ‘freedom, fairness, responsibility’

PEARSON

Coalition Agreement

On education and training:

- Review SATs
- Reform league tables
- Transform the school system
- Introduce the pupil premium
- Establish new technical academies
- Reform pay and conditions for teachers
- Find ways to fund more college & work place training places
- Set colleges 'free'
- Flex up the funding system
- Implement a new single welfare to work programme
- Procedures for responding to the HE fees review

PEARSON

2. The Economy

Current picture by numbers

- 1/1.5% for 2010, 3/3.5% for 2011
- £163bn
- 2/3.7%
- £6bn
- £52.5bn, £44.1bn, £34.4bn
- 4:1, 2:1, 2 ½:1
- 20:1
- 16%
- 0
- 100.
- 2.51m
- 941,000
- BRIC not PIGS

PEARSON

The Economy

Specific Measures (Conservative)

- *"We aim to eliminate the bulk of the current deficit over a Parliament"*
- Adopt the 8 benchmarks from Osborne's New Economic Model
- Set up new machinery: independent Office for Budget Responsibility, Consumer Protection Agency, Green Investment Bank, Big Society Bank
- Put finance experts and business planning into every dept
- Provide an emergency Budget within 50 days
- Cut the number of MPs
- Publish online top salaries and items of spending over £25,000
- Scrap m.class benefits
- Match Labour 2010/11 spending plans for health and overseas aid
- Cut £6bn 'wasteful' spending from other depts in 2010/11
- Adopt the Gershon/Read savings plan
- Reduce the impact of proposed NICs rise
- Review raising the pensionable age

PEARSON

The Economy

Specific Measures (Lib-Dem)

- *"we will reduce the deficit, break up the bank and ensure that Britain leads in developing the new green economy"*
- Raise income tax threshold to £10,000
- Start to reduce deficit from 2011/12, halve by 2013/14
- Complete an emergency budget and interim SR by end of June 2010
- No ring fencing but health first priority followed by schools
- Projected education savings in £m by 2014/15:
 - Scrap RPA (£70m)
 - Cut education quangos and admin (£430) and Reform RDAs (£635)
 - End top-down education initiatives (£355) and refocus Train to Gain (£350)
 - Cut public sector consultants (£190) and limit public sector pay rises (£3,600)
- Education Spending commitments
 - Pupil premium (£2,640)
 - Tackling youth unemployment
 - Scrapping tuition fees (£1,765)

PEARSON

Key Issues

- Education not sacrosanct
- Tightening already set through PBR 09 and Budget 10, Conservatives equally targeting anything non-frontline, Lib-Dems promising smaller classes, more money in schools
- Perception that return on investment in education could be improved plus room for efficiencies
- Possible targets

- procurement of essential services (Catering, energy, learning resources)

- school reserves

- teaching assistants

- 'boutique experiments'

- national pay system

- qualification volumes

- learner support

- inspection and audit

- quangos

- skills system

- fee contributions in FE and HE

PEARSON

3. Education. Lines of Interest?

Conservative

- Teachers: 37
- 14-19: 9
- Schools: 53
- Standards: 53
- FE: 8
- HE: 25
- W2W: 44

Lib-Dem

- Teachers: 9
- 14-19: 11
- Schools: 42
- Standards: 22
- FE: 13
- HE: 17
- W2W: 12

PEARSON

Education policies at a glance

Conservative

- Age 6 reading test
- More robust SATs
- Knowledge-based NC
- Revamped league tables
- Focused inspections
- Choice of exams
- Database of exams
- Academy expansion
- Reformed school system
- Enhanced profession

Lib-Dem

- Pupil premium
- Teacher assessed SATs
- Slimed down NC
- Reformed league tables
- IESA
- Sponsor Managed Schools
- Expand GTP
- Education Freedom Act
- Strengthened profession

PEARSON

Education policies at a glance

Conservative

- 14+ places in FE
- Set up UTCs
- National Citizen Service
- Single Funding Agency
- Reduced quangocracy
- Increase in app places
- Single work Programme
- Re-directed TtG
- All-age careers service
- Open provider system
- Community Learning Fund
- Additional HE places
- New visa arrangements
- Implementation of Dyson

Lib-Dem

- 14+ places in FE
- General Diploma
- Voluntary RPA
- 3 month YP Guarantee
- Single CASHE
- 75% technician target
- Re-directed TtG
- Expand adult apps
- Increase Fds
- Scrap adult learning fees and HE tuition fees
- Create 100,000 green jobs

PEARSON

A happy marriage?

Areas of agreement

- Pupil premium
- Teacher quality
- STEM support
- Parent power and choice
- YP Guarantees
- RPA dissolution
- 14+ provision in colleges
- Adult skills funding
- Voc progression into HE
- Slimmed quangocracy

Areas of disagreement

- SATs
- School curriculum
- 1:1 tuition
- League tables
- Academies and 'free' schools
- UTCs
- Regional planning
- HE tuition fees
- Visa system

PEARSON

Schools

Key Papers

- 'Lessons from the Front.' Teach First. Nov 09
- 'Education Briefing.' Reform. March 2010
- 'Blocking the Best.' Policy Exchange. March 2010
- Sykes Review. March 2010

Key Speeches

- Michael Gove's CPS speech. Nov 09; Royal Society speech. March 2010
- David Cameron's draft manifesto speech. Jan 2010
- Nick Clegg's Barnardo's speech. Feb 2010
- Education 'leaders' pre-election debate. April 2010

Key Themes

- "we will give every parent access to a good school"
- Manifesto picture on p.50

Key Influences

- Swedish 'free' schools/American Charter schools/KIPP
- Newsnight March 2010/Daily Telegraph letter 26/4/10
- Big Society and GM legacy

PEARSON

Key issues (schools)

New school model

- political and financial constraints
- funding and costs yet to be fully worked out
- to profit or not
- clarity on value

Expanding the Academy model

- fragmentation of the school system
- potential danger of cluster model in well heeled areas
- sever the democratic link
- the end of a national curriculum?

Raise the performance and status of teachers

- difficulties of redefining the pay and reward system
- position of classroom assistants
- nature of teacher training

PEARSON

School standards

Key Papers

- 'Education at a Glance.' OECD Sept 09
- ASCL ACT. Nov 09
- 'Core Business.' Reform Dec 09
- Chief Regulator's Report. Dec 09
- Sykes Review. March 2010

Key Speeches

- Michael Gove's Conference speech. Oct 09; Royal Society speech. March 2010
- Nick Clegg's Salvation Army speech. March 2010
- Education 'leaders' pre-election debate. April 2010

Key Themes

- *"Britain is slipping down the world league tables in reading, maths and science"*
- *"we will ensure that Ofsted adopts a more rigorous and targeted inspection regime"*

Key Influences

- OECD/PISA rankings
- The Daily Mail/employer concerns/public confidence
- Belief in the power of a knowledge-based curriculum

PEARSON

Key Issues (school standards)

SATs

- 'not set in stone?'
- role of teacher assessment
- use in accountability

League Tables

- 'corrosive' impact on T/L
- availability of more sophisticated forms of data
- issue of equivalencies
- impact on school choice

Nature of regulation

- concerns about cost and burden
- interest in international benchmarking
- independence

PEARSON

Young People

Key Papers

- 'Get Britain Working.' Oct 09
- 'Ingenious Britain.' March 2010
- Sykes Review. March 2010
- 'Free to be Young' March 2010
- Contract for Young People. April 2010

Key Speeches

- Michael Gove's Conference speech Oct 09, CPS speech Nov 09
- David Cameron's CBI speech Nov 09, Contract speech April 10

Key themes

- "we will restore rigour to the curriculum and exam system"
- "we want to develop proper vocational and technical education that engages young people and meets the needs of modern business"

Key Influences

- NEET figures, fear of 'a lost generation'
- Rathbone's, Barnardo's, the Prince's Trust, employer leaders
- Holland

PEARSON

Key Issues (Young People)

Future of Diplomas

- changing nature of entitlement and stakeholder commitment
- 2012/3 review and strength of the case for a refit

RPA

- concerns about costs and compliance
- changing economic and demographic context and suitability of provision

Local planning

- role of LAs and nature of local planning and funding
- impact of opening up the provider side

NEETs

- transition points @ 14,16,18 and suitability of what's on offer
- sanctions or support? Lessons from abroad

IAG

- tailoring the system
- understanding the labour market
- adopting 'yoof' friendly coms channels

PEARSON

Further Education sector

Key Papers

- New Industry, New Jobs. April 09 and Get Britain Working. Oct 09
- Skills, Jobs, Growth. UKCES Oct 09 and Skills for Growth, BIS Nov 09
- Preparing Colleges for the Future. 157. Feb 2010

Key Speeches

- David Willetts AoC speech. Oct 09
- Lord Mandelson NINJ speech one year on. March 10

Key Themes

- "we will set colleges free from direct state control and abolish many of the FE quangos"
- "public funding will follow the choices of students"
- "something between a bombsite and a building site"

Key influences

- BIS skills 'activism' policy and employer voices
- Resourcing, KPMG report and belief in competitive supply side
- Simplified skills system

PEARSON

Key Issues (FE)

Re-arranging the landscape

- driven now by need for efficiencies not ideology
- hot spot system issues: app system; regional planning systems; regulatory system
- potential for new market arrangements

Response to the new economy

- industrial strategy increasingly focused on key growth sectors
- re-direction of resources to high-level skills
- less counting of qualifications, more mapping to need
- better job inheritance but different demographic dynamic

Simpler funding and audit arrangements

- emphasis on training as a joint investment rather than a government led cost
- accountability to the customer rather than external agencies
- focus on returns and outcomes with rewards for 'best' providers

PEARSON

Higher Education

Key Papers

- Stronger together CBI. Sept 09
- Get Britain Working. Oct 09
- Higher Ambitions. Nov 09
- More fees please. Policy exchange. Jan 2010

Key Speeches

- Lord Mandelson's Dearing speech. Feb 2010
- Key Themes
- "we will ensure that Britain's universities enjoy the freedom to pursue academic excellence and focus on raising the quality of the student experience"

Key Influences

- The Great HE Debate
- Milburn's Fair Access Report
- Impact of budget cuts
- Concerns about quality and international standing
- Browne Fee Review

PEARSON

Key Issues (HE)

Funding future growth

- potential for a differential loan system
- further review of bursary system
- emergence of the private sector
- new forms of asset management

Nature of economic contribution

- the Polytechnic argument
- 'Hauser' type Innovation Centres
- strengthening vocational progression
- Denham to Dyson

Quality and nature of provision

- length of degree programme
- role of FE
- impact of technology
- student profiles

PEARSON

Welfare to Work

Key policy pledges

- Put in place a new unified Work Programme
- Create 400,000 new apprenticeship and work-based training places over 2 years
- Help businesses create jobs by offering tax cuts
- Reassess current IB claimants and transfer on to JSA where appropriate
- Develop new Service Academies
- Open up supply side
- Develop payment by results system
- Create a new welfare contract

PEARSON

Going forward

- May 18. Parliament resumes
- May 25. Queen's Speech
- June 22 Emergency Budget
- June? Public Services Bill
- Sept. New Labour leader announced
- Autumn. CSR
- April 2011. New spending settlement kicks in
- 2015/16. Deficit halved, one small cheer

PEARSON