6 Decentralised Management of Secondary Schools

Introduction

The schools sector has a particular significance for our analysis because it is the only sector where – perhaps by accident rather than design – the Conservative governments of the 1980s and 1990s afforded local service-providing organisations a genuine choice between opting for independent self-managed status or remaining within a locally coordinated yet managerially ‘liberated’ system. As we have seen, by the end of 1992 NHS acute hospitals were faced with a situation in which there seemed to be no viable alternative to applying for self-managed (that is, trust) status. Equally, as will be explained in Chapter 7, the ‘choice’ facing local authority housing departments was a powerfully constrained one. The large-scale voluntary transfer (LSVT) route offered housing managers strikingly more freedom and a far more flexible set of financial arrangements than they could possibly hope for if they remained in a local authority housing department. In the schools sector, however, the development of LMS during the late 1980s meant that there was much more of a real choice. On the one hand schools could ‘opt out’ by applying for grant maintained (GM) status. This would bring an immediate financial boost plus considerable managerial autonomy. On the other hand, however, it was possible to stay within the LEA sector whilst achieving – through Local Management of Schools – a significant enhancement of managerial autonomy, including far greater control of the school budget. Delegation to schools of at least 85 per cent of initial school budgets (as defined by the Department for Education and Employment) became mandatory. Many LEAs decided to delegate an even higher percentage than this. As the Local Schools Information Unit put it: ‘As a result of LMS all schools are far
more autonomous than they used to be and the differences between GM and LEA schools have diminished greatly' (Local Schools Information, 1996, p. 5).

Thus, it was really only in the schools sector that there was anything approaching a 'level playing field' between the legally independent self-managed option and the modernised and liberalised version of the traditional system. Even here the field was somewhat tilted, but it was not the steep incline that prevailed in respect of NHS trust status, nor the veritable ski slope faced by local housing departments.

In this context the pattern of opting out over the period since the first wave (September 1989) is instructive. The flow of applications for GM status appears to have fluctuated quite markedly, mainly in accordance with general political conditions in the country as a whole. The first cohort, at the end of the 1980s, contained a high proportion of schools that were threatened with merger, closure or other problems. Writing in 1993, Fitz et al. (p. 38) recorded that 'For those schools for which we have data, nearly a half (107/227) were identified by their LEAs in connection with reorganisation schemes.'

Interestingly, the largest number of early opt-outs came from within Conservative-controlled county councils. Subsequently, during the run-up to the 1992 general election, there was a decline in the number of ballots, and an increase in the proportion of ballot results that went against opting out. Following the Conservative victory in 1992 there was a surge of opt-out applications, reaching a peak in the autumn of that year. During 1993 however, the rate of applications dropped rapidly – a trend that was likely to have been associated with the country-wide loss of power by the Conservative Party in the May 1993 local elections. The 1993 Education Act, published in the autumn of that year, was clearly intended to restore the popularity of GM status. It obliged governing bodies to give explicit consideration to an opt-out at least once in every school year. In practice, however, a brief spurt was quickly followed by a further slump, and the number of secondary schools seeking grant maintained status was very low in after mid 1994. Table 6.1 shows the pattern of successful opt-outs.

Another interesting feature of the school sector is that the opt-out mechanism necessarily involved a vote by 'ordinary' local people. The governing body of an LEA school, if it wished to opt out, was obliged to hold a ballot by first passing a formal resolution to do so. Every person appearing as a parent on the admissions register of the school was eligible to vote. A secret postal ballot was held organised by the Electoral Reform Society. If more than 50 per cent of those eligible to