

The development of quasi-markets in secondary education



Purpose

This paper traces the development of a quasi-market in secondary education. It catalogues reforms since the 1980s which have either moved towards or away from a quasi-market and uses a framework adapted from a paper by Allen and Burgess¹ to assess how closely the current system resembles a fully-formed quasi-market. This paper does not seek to assess whether quasi-markets are a superior or inferior method for delivering education.

Background

The term quasi-market was originally used by Professor Julian Le Grand to describe a series of public service reforms introduced in the late 1980s. The reforms were market-like because they introduced a split between the purchaser and providers of public services, and because they introduced competition between providers. Le Grand added the prefix 'quasi' however, to emphasise some important differences with conventional markets. In quasi-markets:

- providers are not necessarily profit-maximising firms (they may be state-owned or charitable organisations)
- choice may be exercised on behalf of the user
- users 'spending power' is determined by the value of a voucher or earmarked budget, rather than their wealth.

There are generally two types of argument to justify the use of quasi-markets in education. The first, and most common, is that introducing competition means schools must vigorously compete for students and the funding that follows them by maximising outcomes for students. Without competition, the argument runs, monopolistic state providers can afford to rest on their laurels and allow productivity to fall. As Adam Smith observed in the *Wealth of Nations* "Monopoly... is a great enemy to good management."²

The second type of justification for quasi-markets is based on evolutionary economics³. In the terminology of evolutionary economics, schools are given the freedom to **generate** different approaches to educating pupils, parents then **select** an approach based on the results of different schools, and superior approaches are then **amplified** as popular schools expand and, conversely, unpopular schools shrink. Over time, the average quality of education should steadily rise. This justification emphasises the importance of innovation rather than effort, and focuses on new approaches rather than applying maximising returns from the existing approach. It should be noted however, that the two justifications are not mutually exclusive and can both be operating at the same time.

In a paper written for the 2020 Public Services Trust Dr Becky Allen and Professor Simon Burgess lay out four conditions which are necessary for ensuring that a system of school choice, or quasi-market, will improve educational outcomes.

¹ Allen, R, and Burgess, S, 2010, 'The Future of Competition and Accountability in Education', 2020 Public Services Trust, available at: http://clients.squareeye.net/uploads/2020/documents/ESRC_Allan%20and%20Burgess_FINAL.pdf

² Smith, A, 1776, 'An Inquiry into the Nature and Causes of the Wealth of Nations'

³ Plamping, Gordon, Pratt, 2009, 'Innovation and Public Services: Insights from Evolution', available at: http://www.cihm.leeds.ac.uk/new/wp-content/uploads/2009/10/6227_CIHM_public_services_brochure_WEB2.pdf

1. Parents must value and be able to correctly identify educational success as a school characteristic.
2. Parental choice must be meaningful and capable of affecting the allocation of pupils to schools.
3. Schools must find it beneficial to be popular and to grow.
4. The best way for schools to be popular must be to raise the quality of teaching and learning, rather than engage in other activities.

Implicit in the fourth condition is the assumption that schools have some degree of control over the way education is delivered. This is closely related to the broader idea, outlined above, that the system must be able to **generate** new approaches to delivering education. In order to emphasise this point we can add a fifth condition:

5. There must be some way of creating new approaches to educating children

This can either be achieved by allowing variation to occur endogenously within the system (an example would be allowing schools to vary the length of the school day) or by generating it exogenously outside the system (an example might be the Department of Education introducing a new type of school).

With these conditions in mind we can now trace the development of education reforms and assess the extent to which it fulfils these five conditions.

History

The development of quasi-markets in the UK has been a slow process which has progressed in fits and starts. It can be loosely grouped into four stages, each of which seems to have followed different logics of reform:

- 1980-1996: Birth of the quasi-market
- 1997-2002: The cooperative turn
- 2002-2007: Spreading competition
- 2008-present: Competition and cooperation?

The next four sections of this paper outline the development of the quasi-market by cataloguing the specific reforms which have occurred during each of these periods. It should be noted that this is not intended to be a comprehensive history of education reform, only a history of the reforms that have had an effect on the quasi-market over the period.

1980-1996: Birth of the quasi-market

Efforts to establish a quasi-market in secondary education can be traced back to the Conservative governments of the 1980s and Secretary of State for Education, Mark Carlisle's Education Act of 1980. The act introduced the 'assisted places' scheme, which provided money for academically gifted children to attend private schools. It also introduced 'open enrolment', which allowed parents across the country to choose which school their child attended as long as the particular school was not oversubscribed, in which case the local authority would allocate them to a school. A minority of parents were thus given the choice between local state schools and private schools, while the rest were given, at least in theory, a greater choice between local state schools. The act also obliged state schools to publish their examination results giving parents more information on the quality of different schools. This information was of limited use however, as it did not account for different school intakes or provide metrics of student progress.

4 The development of quasi-markets in secondary education

There was then a pause in quasi-market type reforms during Keith Joseph's period as Secretary of State for Education. Joseph's reforms focused instead on cutting the costs of managing the education system and shifting control over education spending from local education authorities to central government.

In 1986 Joseph was replaced by Kenneth Baker. At the Conservative party conference of that same year, Baker announced his intentions to open a chain of 'city technology colleges'. These were science-focused inner-city schools which were owned and governed by autonomous governing bodies rather than local authorities. The first school was announced in 1987 and fifteen were built in total. Although this did not in its own right constitute a significant increase in the autonomy of the school system it did pave the way for further reforms which steadily reduced the influence of local education authorities over schools.⁴

In 1988 the Education Reform Act gave parents the power to appeal against local authority decisions to allocate their child to a school which was not their first preference. On the supply side, the act gave state schools the chance to hold a parental vote to opt out of local authority control. One in six secondary schools chose to do so, representing a significant increase in school autonomy. Because these new 'grant-maintained' schools acted as their own admission authority however, this led to schools admitting more affluent pupils, a practice known as 'cream skimming'.⁵ Alongside the creation of 'grant-maintained' schools, the 'local management of schools' policy allowed schools controlled by local education authorities a modest amount of financial independence.

Funding arrangements were also adjusted to link around 80% of school funding to the number of pupils attending a school, putting schools in direct competition for resources. The legislation also standardised course content and examinations through the introduction of the national curriculum and national assessment which improved the comparability of school results. To summarise, Baker's reforms had the dual approach of standardising curriculum content and testing procedures while increasing the diversity of the way in which that curriculum was delivered.

Ken Clarke then built on Kenneth Baker's work when he took over at the Department of Education in 1990 promising to increase choice and diversity.⁶ School inspection was centralised in 1992 and the results of Office for Standards in Education (Ofsted) inspections were also made public, increasing parent's ability to judge school quality. League tables were also introduced with the explicit intention of helping parents to systematically compare schools.

The 1993 Education Act offered schools extra funding to develop specialisms in particular subject areas, further increasing diversity of provision. Reforms at the tail end of the Major government largely sought to enshrine previous policy in new quasi-autonomous non-governmental organisations (quangos) such as the Funding Agency for Schools, which took over several of the responsibilities previously fulfilled by local education authorities, such as checking the financial resilience of, and making payments to, grant-maintained schools.

One radical but little known attempt to extend the quasi-market was introduced in Wales in 1995 by John Redwood. The 'popular schools initiative' provided consistently oversubscribed schools with additional capital funding explicitly intended to allow them to increase their classroom capacity and 'market share'. A subsequent survey of the schools however, suggested they were largely oversubscribed due to local population increases,

⁴ For a timeline of reforms relating to the roll of local authorities in secondary education see Hill, R. 2011, 'The Missing Middle: the Case for School Commissioners, p13-14), the RSA, available at: http://www.thersa.org/_data/assets/pdf_file/0017/630053/RSA-The_Missing_Middle_report_2012.pdf

⁵ Allen, R, 2008, *Choice-Based Secondary School Admissions in England: Social Stratification and the Distribution of Educational Outcomes*, p176, PhD Thesis, available at: http://eprints.ioe.ac.uk/632/1/Allen_2008_thesis_with_corrections.pdf

⁶ See *Choice and Diversity: a New Framework for Schools* available at <http://www.educationengland.org.uk/documents/pdfs/1992-choice-and-diversity.pdf>

rather than influxes of students from the surrounding area searching out superior educational provision.⁷ The programme was ended before the 1997 election, though it is unclear why.

1997-2002: The cooperative turn

The first white paper of the new Labour Government, *Excellence in Schools*, signalled a change in emphasis in education policy by explicitly adopting the principle 'standards matter more than structures'. The introduction of 'literacy hour', a tightly specified and rigorous programme for teaching language skills, embodied this shift in focus towards content and pedagogy and away from issues of governance and institutional structures.

Where policy did address structures however, there was also a clear change in direction away from competition towards partnership and cooperation. Education action zones were an early initiative which created partnerships of schools and other local organisations, including businesses, intended to share best practice and promote peer-to-peer learning in the poorest areas. Between 1998 and 2005 good schools were designated as 'beacon schools' and given additional funding on the condition that they proactively partnered with neighbouring schools to help improve their performance. Specialist schools were also reoriented to act as centres of excellence required to share their subject specific expertise with neighbouring schools. Despite this switch of emphasis however, little was done to reverse the quasi-market reforms of preceding Conservative governments.

Labour also made early reforms to admissions policy by abolishing grant-maintained schools and obliging all schools to comply with the centrally determined Admissions Code. This was designed to stop schools using admissions interviews to covertly select the most able pupils. Running counter to this, however, specialist schools were actually given the power to select a proportion of students by aptitude for their specialist subject, though in practice relatively few schools exercised this power.

2002-2007: Spreading competition

The next period of educational reform was characterised by a renewed effort to employ choice and competition to drive up standards, and an attempt to spread the operation of competition by placing new obligations on all local authorities and helping poorer students utilise choice. It was also characterised however by the targeted employment of collaborative networks of schools to try and improve education in specific areas.

Labour was re-elected in 2001 and a year later 'value added' measures for all secondary schools were added to league tables. This allowed parents to see how much progress pupils made at a school rather than just raw results, which are heavily influenced by pupil intake.

In the August of 2002 Blair wrote a set of papers laying out a clear direction for public service reform. Blair's biographer, Anthony Seldon, argues that this was an important moment in the development of Blairism and articulated for the first time "the agenda he had been groping towards at least since he became party leader eight years earlier".⁸ The key document focused on public service reform and made a commitment "to rebuild the service around the consumer" with an emphasis on diversity of supply and choice in education and healthcare.

In 2002 the first 'academy schools' (independently managed state schools with additional operational autonomy) opened, replacing their failing predecessor schools. By the summer of 2003 Blair was demanding hundreds more to be opened and a year later the government formally committed itself to having 200 academies open or in the pipeline by 2010, securing the policy as the flagship New Labour secondary education reform. Academies were largely modelled on city technology colleges and represented a renewed effort, still underway in 2012, to remove local education authorities from the governance of schools.

⁷ Audit Commission, 1996, *Trading Places: the Supply and Allocation of School Places*, available at: <http://www.audit-commission.gov.uk/SiteCollectionDocuments/AuditCommissionReports/NationalStudies/tradingplacesreview.pdf>

⁸ Seldon, A, *Blair*, Free Press, p634

In 2003 the government launched the 'London Challenge' which used multiple interventions to try and tackle longstanding educational underperformance in the capital. Much like 'Excellence in Cities', it concentrated on a specific geographical area and involved the creation of networks or 'families' of schools intended to help them work together for mutual gain. That year also saw the creation of the first 'leading edge partnerships', which identified high-performing schools and gave them additional funding to help them work with nearby schools to raise standards. The policy was similar to, and eventually superseded, Beacon Schools. The programme was limited in size however, with just over 200 partnerships created between 2003 and 2006.

In 2005 the Labour government published a white paper called *Higher Standards, Better Schools for All: More Choice for Parents and Pupils*. It made the most overt statement yet of the government's belief in the importance of choice in driving up standards in schools. Tony Blair even openly described the reforms as being aimed at establishing what "would in one sense be a market".⁹ The white paper contained two demand side policies, later enacted in the Education and Inspections Act 2006. These were explicitly intended to refine the quasi-market and make it work for the least advantaged. Free school transport for poorer pupils was extended to cover the three nearest schools to enable greater choice and choice advisers were created to help poorer parents decide which school to apply to.

That year also saw several important supply side reforms. Local authorities were, for the first time, put under a statutory obligation to work with school commissioners to promote diversity and choice among schools. They were also obliged, by the Education (New Secondary School Proposals) (England) Regulations 2006, to hold an open contest between potential providers for any entirely new schools which they wished to open. The outcome of such competitions would then be adjudicated by the local 'schools organisation committee', which is independent of the council.

The 'successful and popular schools initiative' was also introduced. This allowed oversubscribed schools to access capital funding which enabled them to increase the number of pupils they could accommodate, although the local authority remained in control of the maximum number of pupils any school was allowed to admit. In 2007 additional capital funding for the expansion of successful and popular schools was made available through the Standards and Development Fund.

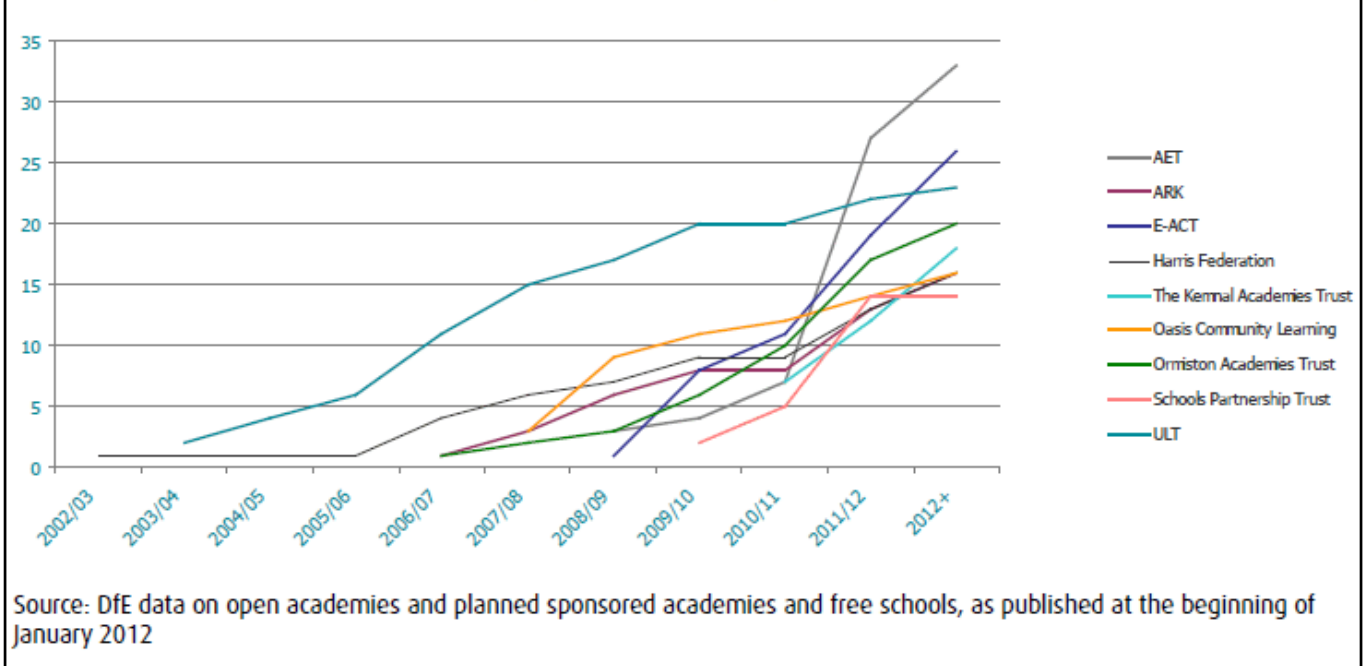
After 2006, the government concentrated efforts on systematically replacing low-performing secondary schools with academies and increasing the proportion of schools with specialist status (reaching 85% of all schools by 2009.) Both policies contributed further to diversity of supply.

2007 - present: Competition and cooperation?

Since 2007 multiple policies designed to promote cooperation among schools have been either introduced or scaled up. At the same time, the Coalition Government has introduced several measures which have supported the development of the quasi-market.

In 2008 'London Challenge' was scaled up to include Manchester and the Black Country, and renamed the 'City Challenge'. The national leaders of education (NLE) scheme, which identifies high-performing school leaders and pairs them with weaker local schools, was also scaled up. It was also around this time that the number and size of academy chains began to increase. Academy chains involve either one academy sponsor running multiple schools or multiple academies managed by a single overarching body while retaining their own governing bodies.

⁹ See http://news.bbc.co.uk/1/hi/uk_politics/4372216.stm

Figure 2:3: Growth of the nine largest sponsored academy chains over time

Source: Hill, R. et al, 2012, 'The Growth of Academy Chains: Implications for Leaders and Leadership', National College for School Leadership

In 2010 the Coalition Government was formed and Michael Gove became Secretary of State for Education. Press attention on coalition education policy has largely focused on the rapid expansion of the academies programme but Gove's reforms have, in line with the other reforms since 2007, also concentrated on the creation and scaling up of collaborative arrangements to allow local networks of schools to help each other to improve.

The 2010 white paper *The Importance of Teaching* introduced a raft of measures designed to boost collaboration, pledging to:

- significantly increase the number of local and national leaders of education
- introduce the idea of 'teaching schools' (designating excellent schools as providers of professional development and training to neighbouring schools)
- publish data about contextually similar 'families of schools' within a local area to allow learning from the best
- create a 'collaborative incentive' which will financially reward strong schools who demonstrably improving the performance of nearby schools.

Gove believes these reforms will lead to schools "collaborating on a scale that has never been witnessed before."¹⁰

Despite this renewed emphasis on school cooperation, Gove seems to remain committed to promoting competition between schools. In a speech to the 2012 Spectator Conference, for example, he argued that "we need to create more new schools to generate innovation, raise expectations, give parents choice and drive up standards through competition".¹¹ On the demand side, league tables have been redesigned to improve the quality of information given to parents on school performance. 'Contextual value added' has been scrapped and is set to be replaced with 'value added' broken down for different pupil groups. This will show parents how much progress is made by low, medium and high-ability pupils as well as disadvantaged pupils within a given school.

¹⁰ Gove, M., Speech to the Education World Forum, 11 Jan 2011, available at :

<http://www.education.gov.uk/inthenews/speeches/a0072274/michael-gove-to-the-education-world-forum>

¹¹ Michael Gove Speech, 'How are the children? Achievement for all the in 21st Century', 26th June 2012, available at <http://www.education.gov.uk/inthenews/speeches/a00210738/govespect>

Reforms on the supply side have been particularly radical. The Coalition has accelerated the conversion of schools to academy status, allowing successful, as well as failing schools, to convert to academy status. Free schools (a variant on the academy model allowing parents or teacher groups to start up entirely new autonomous schools) and studio schools (focusing on practical, project-based learning) have also been introduced, further increasing diversity of supply. Running counter to this however, specialist schools have been scrapped because the Coalition Government believes they do not warrant the additional funding. Meanwhile, changes to school finance have increased the extent to which funding follows pupils and the introduction of the pupil premium has reduced the incentives for cream skimming (since poorer, and harder to educate pupils, now come with more funding.) Another little-known reform in 2011 also made a big leap towards a fully formed quasi-market by allowing academy and voluntary aided schools to expand in size without the permission of the local authority.

Summary

The table in the annex below shows all the reforms which either moved towards (coloured green) or away (coloured red) from a quasi-market in education over the last 30 years. The reforms are mapped against the five conditions, adapted from Allen and Burgess, necessary for an education quasi-market to improve outcomes. It is now possible to assess to what extent the current secondary education system fulfils those criteria.

1. Schools must have autonomy over the drivers of educational outcomes OR there must be a variety of schools types.

Schools have become slowly more autonomous over the period and this looks set to continue with the expansion of the academy sector. More than half of all secondary schools are now academies, or in the process of becoming them.¹² Although specialist schools have been abolished, free schools and studio schools have also been introduced, increasing diversity of supply.

2. Parents must value and be able to correctly identify educational success as a school characteristic.

Questions remain over how effectively parents can identify which school will be best for their child due to time delays in school performance data (league tables show the performance children five cohorts ahead of children about to join a school) and the complications of adjusting for contextual factors¹³. There are also questions over how much of a priority parents place on academic attainment in relation to other factors e.g. proximity.^{14 15}

3. Parental choice must be meaningful and capable of affecting the allocation of pupils to schools

Parents have been able to specify a preference for which school their child attends since the late eighties and this right was strengthened when parents gained the right to appeal against a local authority allocation. Meaningful school choice does however remain constrained by how many schools are within feasible travelling distance from their home and on whether or not those schools are already

¹² Richardson, H. 'Half of England's Secondary Schools Becoming Academies', BBC News, 5 April 2012, available at: <http://www.bbc.co.uk/news/education-17628691>

¹³ Leckie, G, Goldstein, S, *The Limitations of Using School League Tables to Inform School Choice*, CMPO Working Paper Series No. 09/208, available at: <http://www.bristol.ac.uk/cmppo/publications/papers/2009/wp208.pdf>

¹⁴ Gewirtz, S, Ball, SJ, and Bowe, R, (1995), *Markets, Choice and Equity in Education*, Buckingham: Open University Press.

¹⁵ Burgess, S, et al, 2006, *School Choice in England: Background Facts*, Centre for Market and Public Organisation Working Paper No. 06/159, p11, available at: <http://www.bristol.ac.uk/cmppo/publications/papers/2006/wp159.pdf>

oversubscribed. In the event that a school is oversubscribed, proximity generally still determines allocation, pushing up house prices around successful schools as better off parents attempt to secure a place for their child. Recent reforms allowing academies to expand may help to overcome this 'allocation by postcode' by increasing the number of spaces in oversubscribed schools.

4. Schools must find it beneficial to be popular and to grow

Recent reforms including the 'Successful and Popular Schools Initiative' and allowing academies to unilaterally increase the number of pupils they take, have removed some of the financial and administrative barriers to popular schools expanding. Whether or not they choose to expand however still depends on their willingness to do so. In a conventional market the profit motive would incentivise popular providers to expand their provision but state funded, for-profit schools remain illegal in the UK. Having said that, head teacher's pay is partly determined by school size and the leaders of some of the major academy chains have seen their remuneration rise as their chains have expanded¹⁶, suggesting financial incentives may already be in operation.

Overt financial incentives for expansion may not be necessary however, if successful schools are motivated to increase their size in order to spread educational advantage. Many successful academies have now opened up new schools in the same chain, presumably for these reasons. If one chain takes on several schools within a specific locality however, this may in itself reduce competition.

The promotion of cooperative arrangements also raises serious questions about whether schools are supposed to see themselves as trying to outperform other schools, in order to try and acquire larger 'market share', or whether they are supposed to work cooperatively to support each other's performance.

Policy has consistently wavered on this. Between 1997 and 2002 there was a clear emphasis on the latter. Between 2002 and 2007 a mixed strategy was employed, with policy aiming to spread and institutionalise competition while also targeting cooperative interventions in specific urban areas. Since 2007 there has been a marked return to a general emphasis on cooperation between schools through policies such as National Leaders of Education and academy chains.

Teaching schools, of which the Department for Education intends to designate 500 by 2014, present perhaps the most significant move away from a competitive schools policy because they will be explicitly responsible for raising the quality of teaching across a collection of nearby schools.

5. The best way for schools to be popular must be to raise the quality of teaching and learning, rather than engage in other activities

The introduction of the pupil premium reduces the opportunities for cream skimming by providing additional resource to even out the additional cost of educating hard to teach children; though it is not clear whether these have been removed entirely. The persistence of admission interviews in faith schools and state funded grammar schools however, means that schools can still boost their popularity through cream skimming, as opposed to increasing quality.

¹⁶Shepherd, J, 2012, 'Academies Pay 200K Salaries', *The Guardian*, 14 November, available at <http://www.guardian.co.uk/education/2011/nov/14/academies-pay-200k-salaries>

Discussion

Tracing the history of quasi-market type reforms reveals several interesting features of the reform process.

The framework used throughout this paper emphasises the different components that all need to be in place to make a system of school choice work. The piecemeal and gradual way in which quasi-market type reforms have been introduced in the UK therefore requires explanation. One possible explanation is that the piecemeal reforms, though they were perhaps intended to promote choice, were never intended to create a system-wide reform on the scale of a quasi-market. Another explanation is that the reforms inadvertently supported the development of a quasi-market. Specialist schools, for example, were intended to give schools their own distinct identity and ethos, rather than to create variety and choice.¹⁷

Another noteworthy feature of the history is that many of the individual reforms have been of little consequence in their own right. Some school choice advisers have expressed frustration that the most popular schools in their area are consistently oversubscribed, meaning the parents they advise often have little real choice.¹⁸ This does not mean that the choice adviser role has no value, but does show how particular elements of a quasi-market system may be ineffective unless the other elements of the system are also in place.

This history also shows that the development of the quasi-market has at times been characterised by trial, error and adaptation. Open enrolment, for example, led to schools selecting pupils rather than pupils being able to select schools and had to be reformed. Similarly, the metrics used to measure school performance on league tables have also been changed and adapted several times in order to try and improve their usefulness to parents.

It also raises interesting questions about the compatibility of competitive and collaborative arrangements. In general, reforms designed to promote collaboration are in tension with a competitive system. As one head teacher put it "...as a teacher you want to improve all pupils... but perhaps not the ones in the school next door".¹⁹ It is important to point out however, that while competition and collaboration are clearly in tension with each other, they are not necessarily inconsistent. If the member schools of academy chains are geographically dispersed, for example, then they can cooperate among themselves while competing with nearby schools. In reality however, academy chains generally say that to get the most benefit from association schools need to be in close proximity to each other.²⁰ National leaders of education also mostly work with schools that are close by, though not always.²¹ Even so, it may be possible for NLEs, who all come from high performing schools, to support struggling schools while maintaining a competitive mind-set, if they do not perceive the struggling schools as a serious competitive threat.

In summary, movement towards a quasi-market in secondary education has been gradual, uneven, piecemeal, sometimes inadvertent and subject to trial, error and adaptation. Policy makers have wavered between promoting competition and cooperation, sometimes moving further away from a quasi-market system. Michael Gove's emphasis on promoting cooperation has been particularly significant.

¹⁷ Adonis, A, *Education, Education Education: Reforming England's Schools*, London: Biteback. Ch3.

¹⁸ Exley, S, 2012, 'Making Working-Class Parents Think More Like Middle-Class Parents: Choice Advisers in English Education', *Journal of Education Policy*

¹⁹ Quoted in Adnett, N, Davies, P, 'Schooling Reform in England: from Quasi-Markets to Co-opetition?', *Journal of Education Policy*, 18:4, p399

²⁰ O'Shaughnessy, J, 2012, *Competition Meets Collaboration*, Policy Exchange, P35, available at: <http://www.policyexchange.org.uk/images/publications/competition%20meets%20collaboration.pdf>

²¹ Hill, R, Matthews, P, *Schools Leading Schools II: the Growing Impact of National Leaders of Education*, p35, available at: <http://dera.ioe.ac.uk/2101/1/download%3Fid%3D117657%26filename%3Dschoools-leading-schools-ii.pdf>

Annex

Five conditions necessary for a successful system of school choice		There must be some way of creating new approaches to educating children, either through allowing schools autonomy over the drivers of educational outcomes OR through imposition of change from an outside source	Parents must value and be able to correctly identify educational success as a school characteristic	Parental choice must be meaningful and capable of affecting the allocation of pupils to schools	Schools must find it beneficial to be popular and to grow	The best way for schools to be popular must be to raise the quality of teaching and learning
1980s	1980			Assisted places scheme. Open enrolment		Open enrolment
	1986	City technology colleges announced.				
	1988	School governing bodies become responsible for budgets and how they are spent. Creation of grant-maintained schools. Local management of schools.	National curriculum and testing programme		80% funds allocated to schools based on pupil numbers	Grant-maintained schools allowed to apply to the secretary of state to select by ability.
1990s	1992		League tables and Ofsted introduced			
	1993	Specialist schools				
	1995				Popular schools initiative in Wales, later cancelled	
	1996	Encouraging new grammar schools				Schools given more power to select pupils
	1997				Education action zones	
	1998			Assisted places scheme abolished	Beacon schools	Admission interviews banned
	1999	'Fair funding' increases the financial autonomy of schools				
2000s	2002		Inclusion of 'value added' measures in centrally published league tables			Inclusion of 'value added' measures in centrally published league tables

12 The development of quasi-markets in secondary education

	2003				London Challenge Leading Edge Partnership (expanded 2004)	
	2005	Local authorities obliged to work with school commissioners to promote diversity and choice. Trust schools.	Inclusion of 'contextual value added' in centrally published league tables		Successful and popular schools initiative National Leaders of Education (expanded 2008)	
	2006		Introduction of 'choice advisors' for poorer families	Expansion of free school travel to cover the three nearest schools for poorer children		
	2007				Standards and development fund Expansion of the number and size of academy chains	
2010s	2010	Trust schools Massive increase in academies (to all schools rated at least 'good with outstanding features') Free schools introduced Specialist schools scrapped			Teaching schools	
	2011		'Contextual value added' replaced by 'value added'		Value added schools and academies to increase their admission number simply by notifying the local authority	Pupil premium
	2012		Vocational qualifications revalued in league tables Measures of value added for pupil groups published.		Funding to follow pupils more closely	

Bibliography

- Audit Commission, 1996, *Trading Places: the Supply and Allocation of School Places*, available at: <http://www.audit-commission.gov.uk/SiteCollectionDocuments/AuditCommissionReports/NationalStudies/tradingplacesreview.pdf>
- Adnett, N, and Davies, P, 2003, 'Schooling Reforms in England: from Quasi-Markets to co-opetition?', *Journal of Education Policy*, 18(4), pp 393-406
- Allen, R, 2008, *Choice-Based Secondary School Admissions in England: Social Stratification and the Distribution of Educational Outcomes*, p176, PhD Thesis, available at: http://eprints.ioe.ac.uk/632/1/Allen_2008_thesis_with_corrections.pdf
- Allen, R and Burgess, 'Can School League Tables Help Parents Choose Schools?', *Fiscal Studies*, Vol. 32, No. 2, June 2011, available at: <http://www.ifs.org.uk/publications/5658>
- Allen, R, and Burgess, S. 2010, *The future of competition and accountability in education*, 2020 Public Services Trust, available at: http://clients.squareeye.net/uploads/2020/documents/ESRC_Allan%20and%20Burgess_FINAL.pdf
- Ball, SJ, Bow, R, and Gewirtz, S, 1995, 'Circuits of schooling: a sociological exploration of parental choice of school in social class contexts', *Sociological Review*, 43 (1), pp 52-58
- Burgess, S, et al. 2006 'School Choice in England: Background Facts', Centre for Market and Public Organisation Working Paper No. 06/159, available at: <http://www.bristol.ac.uk/cmpo/publications/papers/2006/wp159.pdf>
- Department for Education and Employment, 1997, *Excellence in Schools*
- Exley, S, 2012, 'Making Working-Class Parents Think More Like Middle-Class Parents: Choice Advisers in English Education', *Journal of Education Policy*
- Hill, R, 2011, *The Missing Middle: the Case for School Commissioners*, p13-14, The RSA, available at: http://www.thersa.org/_data/assets/pdf_file/0017/630053/RSA-The_Missing_Middle_report_2012.pdf
- Hill, R. et al, 2012, 'The Growth of Academy Chains: Implications for Leaders and Leadership', National College for School Leadership, available at: <http://www.thegovernor.org.uk/freedownloads/acadamies/the-growth-of-academy-chains-summary.pdf>
- HMSO 1992 *Choice and Diversity: a New Framework for Schools*, available at <http://www.educationengland.org.uk/documents/pdfs/1992-choice-and-diversity.pdf>
- Le Grand, J. 1991, 'Quasi-markets and Social Policy', *The Economic Journal*, 101, pp. 1256-1267
- Machin, S, *Houses and Schools: Valuation of School Quality through the Housing Market*, Centre for Economic Performance Occasional Paper 29, available at: <http://cep.lse.ac.uk/pubs/download/occasional/op029.pdf>
- Plamping, Gordon, Pratt, 2009, *Innovation and Public Services: Insights from Evolution*, available at: http://www.cihm.leeds.ac.uk/new/wp-content/uploads/2009/10/6227_CIHM_public_services_brochure_WEB2.pdf
- Richardson, H, 'Half of England's Secondary Schools Becoming Academies', BBC News, 5 April 2012, available at: <http://www.bbc.co.uk/news/education-17628691>
- Seldon, A, 2004, *Blair*, Free Press, p. 634
- Smith, Adam, 1776, *An Inquiry into the Nature and Causes of the Wealth of Nations*
- Taylor, C, and Gorard, S, 'Secondary School Admission in London', Project paper presented at an IPPR seminar, 9 January 2003, available at: <http://www.leeds.ac.uk/educol/documents/00002814.htm>
- Walford, G, 2000, 'From City Technology Colleges to Sponsored Grant-maintained Schools', *Oxford Review of Education*, Vol. 26, Iss. 2, 2000

14 The development of quasi-markets in secondary education

West, A, and Pennell, H, 2002, 'How New is New Labour? The Quasi-Market and English Schools 1997-2001', *British Journal of Educational Studies*, 50(2), pp 206-224

West, A, and Ylonen, A, 2010, 'Market-Oriented School Reform in England and Finland: School Choice Finance and Government', *Educational Studies*, 36(1), pp 1-12

Whitty, G, 'Education Reform and Education Politics in England: a Sociological Analysis', paper given at a Seminar with the theme 'Education at the Crossroads: Education Reform and Education Politics in Japan and England', organised by the Japan Foundation at the Institute of Education on 24 October 2000

The Institute for Government is here to act as a catalyst for better government.

The Institute for Government is an independent charity founded in 2008 to help make government more effective.

- We carry out research, look into the big governance challenges of the day and find ways to help government improve, rethink and sometimes see things differently.
- We offer unique insights and advice from experienced people who know what it's like to be inside government both in the UK and overseas.
- We provide inspirational learning and development for very senior policy makers.

We do this through seminars workshops, talks or interesting connections that invigorate and provide fresh ideas.

We are placed where senior members of all parties and the Civil Service can discuss the challenges of making government work, and where they can seek and exchange practical insights from the leading thinker practitioners, public servants, academics and opinion formers.

Copies of this report are available alongside other research work at:

www.instituteforgovernment.org.uk

November 2012

© Institute for Government 2012

2 Carlton Gardens

London

SW1Y 5AA

Tel: +44 (0) 20 7747 0400

Fax: +44 (0) 20 7766 0700

Email: enquiries@instituteforgovernment.org.uk

The Institute is a company limited by guarantee registered in England No. 6480524
Registered Charity No. 1123926