THE CHANGING FACE OF THE LOCAL GOVERNMENT OF EDUCATION IN THE 21ST CENTURY: LIVING WITH THE PRIVATE SECTOR IN SELECTED LOCAL AUTHORITIES AS SEEN BY THEIR CHIEF OFFICERS AND OTHERS

by

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ABSTRACT

The implementation of the Education Reform Act (DES 1988) saw fundamental changes in the structure of education in England; in the relationship between schools and local education authorities and in the establishment of the private sector as a competitor to local education authorities in delivering services. Further legislation introduced by both the then Conservative Government and after 1997 by a Labour Government saw these changes further embedded.

This research seeks through a review of literature to find out why those legislative changes were implemented and by investigating four local education authorities review how those changes impacted on their performance.

This is a qualitative study that gathered data through the use of semi-structured interviews to create four case studies. Against a background of successive governments seeing the use of the market place, competition and the private sector as a means of delivering their aim of improving public sector performance this research provides an insight into how four local authorities worked with the private sector following their Ofsted inspections.

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LIST OF ABBREVIATIONS

APA(s)	Annual Performance Assessment(s)
BERA	British Educational Research Association
CCT	Compulsory Competitive Tendering
DCSF	Department for Children, Schools and Families
DES	Department of Education and Skills
DfEE	Department for Education and Employment
DfES	Department for Education and Skills
DOE	Department of the Environment
EMIE	Education Management Information Exchange
ERA	Education Reform Act
JAR	Joint Area Review
LEA(s)	Local Education Authority(ies)
MOE	Ministry of Education
MP	Member of Parliament
Ofsted	Office for Standards in Education
OPSR	Office for Public Sector Reform
PFI	Private Finance Initiative
SSA	Standard Spending Assessment
SIP(s)	School Improvement Partner(s)
VfM	Value for Money

CHAPTER 1

INTRODUCTION

This introductory chapter has four sections that outline my investigation through a qualitative approach to the theoretical and political reasons for the increasing involvement of the private sector in delivering public education services. The first sets the scene by providing background to the political context in which the research takes place and my position within the research. The second sets out the aims of the research and shows how the resultant research questions provide a framework for my investigation. This is followed by a brief outline of my research strategy; including methodology and method, and the particular issue I face in interviewing elites. The final section provides an outline of the following chapters.

1.1 : SETTING THE SCENE

The Conservative Government in the late 1980s introduced legislation that promoted competition and the use of the private sector to deliver education services as a means to improve the performance of schools. The Labour Government elected in 1997 continued to see the private sector and the related concepts of markets, competition and choice as leading to more effective delivery of local government services and as a means to drive up educational standards. The Labour Government, having introduced the concept of the inspection of Local Education Authorities (LEAs), engaged the private sector in the management and delivery of some of the functions and services of LEAs that 'failed' the Office for Standards in Education (Ofsted)[1] inspection. At the same time, a number of LEAs that were judged by Ofsted to be

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[1] Appendix 1.1 A brief background to the introduction of the Ofsted inspections of local authorities

good or at least performing satisfactorily also developed partnerships with the private sector that went beyond the delivery of administrative functions, such as finance and personnel services.

I am a chief officer in a local authority and have worked in public service for over 30 years. I began my research with a personal belief that an effective and efficient democratically accountable public sector provides the primary basis from which to deliver services for the general good of the whole community and that local authorities have a unique legitimacy as an elected authority.

However, during my time working for local government I have personally witnessed the changes in legislation that have brought about the increasing use of the private sector to deliver public education services. For example, the introduction of Competitive Compulsory Tendering (CCT), Local Management of Schools (LMS), Grant Maintained schools (GM), the requirement to prove Value for Money (VfM) and later Best Value and now the power of government to intervene in failing authorities have all brought about the increasing use of the private sector to deliver services once solely the responsibility of the public sector. In my various roles in local government I have overseen the implementation of many of these changes, which led me to question why recent governments believed that these actions would lead to improved service delivery in terms of both efficiency and effectiveness.

I saw local democracy as the power and responsibility of locally elected councillors responsible for the delivery and performance of locally funded and delivered public

services. I was also concerned that the shift away from a pre-determination of local authority delivered services would mean a diminution in local democratic accountability.

I felt it was important to evaluate my pre-conceptions by developing a research thesis that enhanced both my knowledge and understanding of the private sector role in the delivery of public services. To do this I firstly wanted to find out why the Conservative Government had, since the late 1970s, believed that the private sector would be able to improve the performance of public services. I also sought to understand the rationale used by successful LEAs for engaging with the private sector and to consider the impact the private sector has had on the overall effectiveness of LEA service provision. I therefore intended to explore the theoretical concepts that were used to underpin the development of the policies implemented by the Conservative Government and those that influenced the current Labour Government to continue this approach. I also wanted to explore through case studies of four local authorities whether in reality these policies were implemented because of an ideological belief in the positive impact of the market place and choice on service improvement or whether there was some other reason.

We know that since the 1980s policies relating to the role and responsibilities of local government have been changing and that the provision of education functions changed significantly with the implementation of the Education Reform Act (ERA) (DES, 1988). These developments, which have been embedded and enhanced through subsequent education acts, introduced the concepts of markets, competition

and choice with an increased focus on accountability, performance and the achievement of value for money for schools and local authorities alike.

As a local government officer I have lived through the changes outlined above and had to develop local policies and strategies to implement government regulations. Currently, I am responsible for the delivery and commissioning of all the services for children and young people provided by a local authority. I am also responsible for ensuring the effective delivery of all services for children and young people provided by other agencies, including the voluntary and private sector. I now find myself commissioning both the private and voluntary sectors to provide services previously delivered by the public sector. As pressure from the current government to enhance the concept of choice and to embrace the notion of contestability increases, it appears an appropriate time for me to investigate the reasons behind the growth in the use of the private sector, the effectiveness of their role in delivering public services and also to consider the impact on local accountability and democracy.

It is very important to me personally and in my professional role to have a greater understanding of the theoretical basis for these changes in government policy in order to enable me to more critically analyse the options for service delivery within my own local authority. The information gained and the outcomes from my research will be useful for fellow Directors of Children's Services and others researching in the field of public sector services as the current government continues to evaluate the public services and use of intervention powers, as seen most recently in 2008

following the publication of Ofsted's Annual Performance Assessments (APA)[2] scores for local authority children's services (DCSF 2008 [a], DCSF 2008 [b]). While completing my research a further change in the function of local authorities in the delivery of services for children was being anticipated through the publication of a Green Paper (DfES 2003). This became The Children Act, (DfES 2004) and although it did not introduce any legislation regarding the provision of services to schools it did lead to the introduction of new responsibilities for local authorities and a new system of inspection for local authorities. The implications resulting from the introduction of this act are only briefly covered within this thesis.

1.2 : THE AIMS OF MY RESEARCH

My research has three main aims: the first is to provide me and the reader with a better understanding of the theoretical concepts relating to public service and private enterprise, the second is to identify what benefits there have been in terms of performance outcomes from using the private sector in the delivery of local authority services and the third is to understand why some successful local authorities have voluntarily engaged the private sector in the delivery of their services.

The outcomes from my research will contribute to the current deliberations of fellow professionals and others with regard to the role and impact of the private sector in delivering public services. Although the focus of much of the research is on school performance, the evidence presented here considers the impact of the private sector on the performance of local authorities as judged by Ofsted. The research also

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[2] Appendix 1.2 A brief background to the APA

considers the evidence relating to the use by the public sector of business practices such as contracts and performance management systems.

In order to begin my research I created four research questions that set out the issues I wanted to explore. The questions are set out below and they consider: why those fundamental changes relating to the concepts of markets, competition and choice were introduced; why the current government has continued and developed the use of private sector principles; what impact those changes have had on the nature, form and performance of public education services; what difference has there been in terms of performance and whether there has been an impact on local democratic accountability.

My four research questions are:

- Why did the Conservative Government of the 1980s and 1990s and the current Labour Government promote the use of the private sector in delivering public services?

- Why did some LEAs actively seek partnerships with the private sector to deliver LEA services and functions?

- What effect has there been on the performance of the education services where local authorities engaged with the private sector?

- What has been the effect on governance and public accountability when functions of an LEA are delivered by the private sector?

1.3 : THE RESEARCH STRATEGY

In developing my research strategy, I needed to firstly understand my own view of the world and the values and biases I hold. I recognised that my personal ideas about knowledge and truth have developed through my formative years and subsequent life experiences involving a professional career of over 30 years in the public sector as a teacher, a researcher in educational policy making, education officer, Chief Education Officer and now as Director of Children's Services in a local authority. I am particularly interested from both a professional and personal perspective in the changes that have taken place since 1988. There are a number of issues I want to explore: the Secretary of State's intervention power and its impact on local authority governance and democracy; the government's belief that the private sector will be able to improve performance of services for schools and local authorities; whether the quality of provision, as judged by Ofsted, has improved through the use of the private sector; and finally if these changes have impacted on how local authorities see the delivery of services in the future. I also want to understand the theoretical concepts relating to the public and private sector and how they relate to governance and democracy; to understand the rationale for a local education authority employing the private sector from a political and democratic perspective and to consider the impact on the quality of service provision.

In order to explore the research questions I felt it important to engage with people who have been involved in either policy making at national and local government level or in providing or receiving services at a local level. My research is therefore based on a qualitative and naturalistic approach by using case studies to construct as

closely as possible the worlds and views of those involved in the area being researched. I therefore recognise that reality and truth are products of individual perception and that knowledge is subjective and based on experience and insight.

In order to select a sample of local authorities for my field work, I analysed the outcomes from a number of local authorities where there has been some form of private sector involvement. I created a matrix, which had four sections to reflect the range of possible Ofsted judgements, and then selected four authorities that had varying degrees of involvement with the private sector (Appendix 1.3). These became four case studies, ranging from those that were judged as 'failing' and resulted in some form of intervention by the private sector to those that were successful but also used the private sector. However, the outcome of my field work analysis will not produce a predictive analysis only an interpretative one.

My research method uses two traditions, quantitative and qualitative, but the dominant methodology is based on a qualitative approach in order that I can come to a better understanding of the context in which decisions and actions have taken place and so better comprehend the outcomes. I should therefore be able to provide an informed basis on which to critically analyse the theoretical perspectives and prior research materials considered within the literature review and the outcomes from the fieldwork.

The over-riding research method that was used was based on inquiry and was achieved through using semi-structured interviews. This was chosen in order to

control for many of the aspects that will be present in interviewing my peers. Further

explanation of why I selected this research method is set out in Chapter 3.

Through my position as a member of an 'elite', I was be able to gain access to others

in 'elite' positions within the public sector and government agencies as it is their

views of the world that interests me most. However, a number of issues might impact

on my success. Firstly, being able to secure agreement for the proposed participants

to become involved in my research and more significantly what information they will

be willing or able to share. Initial difficulties could arise when the participants have

a fuller understanding of the nature of my research. Although every attempt would be

made to provide confidentiality and anonymity it may be impossible to provide, not

only for the participants but also for me as a researcher, as by the very nature of our

positions we are highly visible members of our professional and social communities.

I therefore bear a professional and social responsibility for the research. All of my

interviewees gave consent for the interviews and use of the information and through

discussion were aware of the potential for loss of anonymity.

In interviewing elites it was important to remember that they will be very

knowledgeable and therefore thorough preparation for the research will be crucial.

Assumptions may be made by them that because we are part of a shared community

there is a mutual understanding of the issues being discussed that might reduce the

depth of explanation for certain policy or service developments. They may have

already been subjected to research or undertaken it themselves so therefore and so

will be well versed in controlling not only what role they play but also the nature of

the relationship with me. This could significantly influence the nature of the information that is revealed. The outcomes from the research are therefore likely to be based on a construction of meaning rather than an establishment of fact.

1.4 : THE FOLLOWING CHAPTERS

This introduction has set the scene for the following five chapters. Chapter 2 provides a review of the literature outlining the historical events that led to fundamental changes in the role and responsibly of local government and considers the theoretical perspectives that influenced the education policies of the Conservative Government (1979 - 1994) and those that led to a continuation of many of the concepts within the 'New Right' Labour Government. My research design is set out in Chapter 3 and includes the theoretical framework that I will use to analyse the research questions. This chapter will also explore the issues relating to a researcher in an 'elite' position researching peer 'elites' and a discussion about methodological issues. The four case studies are presented in Chapter 4 and Chapter 5 will set out the findings and an analysis of the outcomes from the research, linking the findings to the research questions and literature review. The final chapter will set out the overall conclusions from the study with recommendations about the contribution the research has made in exploring the questions posed at the outset of the research. It will also show how the findings will contribute to the knowledge about the role of the private sector in delivering public services in local authorities and identify further questions that need to be addressed as a result of the research.

I hope that the outcome from the research will provide me with a better understanding of: the political decisions that have been made over the last forty years; the theoretical concepts of the public and private sectors; local accountability and the rationale for the decisions that other LEAs have taken. This will enable me and others working in local, regional and national government and researching in this field to make more informed judgements about the outcomes of working in partnership with the private sector and the likely changes in terms of delivery, accountability and performance for public services and functions.

CHAPTER 2

LITERATURE REVIEW

INTRODUCTION

My literature review will comprise of five sections and a conclusion. Section one sets out the focus of my research and section two is a summary of how I undertook my initial literature search and created, by using a framework developed by Dale (1989), my research questions. The next two sections form the basis of my literature review and comprise of a study including the key works of Dale (1989), Chitty (1989), Stewart and Stoker (1989), Barber (1996), Farnham and Horton (1996) and Greenwood et al (2002). These are respected authors in the field and used extensively as the basis of further research. Their work helped me in understanding the chronology of the significant economic and political changes that have occurred in England since the end of World War II, the importance of this to my research and the impact of these changes on government policies, particularly those affecting the governance of education that led to the implementation of the ERA (DES 1988). An analysis of the work of these authors provides a platform on which to consider the fourth section of the literature review that includes the works of Chubb and Moe (1990), Ranson (1993, 1995) and Tooley (1993, 1995) and their views on the concepts of choice, competition and markets in relation to the public education service and debates the role of the state in improving public service delivery. An understanding of the issues, as set out by these authors, enabled me to analyse the rationale for those policies in relation to the Labour Government's four principles for public services published in 2002 (OPSR 2002, p3): national standards; devolution; flexibility; and choice. This helped me to explore the derivation of today's legislative

framework, which has had an impact on the roles and responsibilities of local authorities. The final section provides a brief review of more recent literature, including Bottery (2005), Goldspink (2007), Ball (2008), Gunter (2008), Levin and Fullan (2008), Ranson (2008), Strain and Simkins (2008) and Whitty (2008), to see if there are any theories from current research that might impact on the conclusions drawn from the review of the case studies in Chapter 4.

2.1 : RESEARCH FOCUS

This section briefly sets out the focus of my research in order to provide the context for my literature review.

2.1.1 The Focus of My Research

My research focuses on the changes that have occurred to the provision of educational services and the role and function of local authorities in the later half of the twentieth century. It begins by using a literature review to explore what led up to the creation of the ERA, which introduced significant changes for both schools and local authorities in their role and functions. I then consider the implications of the implementation of that act from 1988 through to the first term of a Labour Government following the 1997 general election and including two further legislative developments that occurred in the late 1990s. The first was the introduction of inspections of LEAs by Ofsted and the Audit Commission (DfEE 1997) and the second was 'intervention powers" (DfEE 1996, 1998 [a]) which enable the Secretary of State for Education to intervene in the running of a LEA.

My research considers the changes to the role, function, performance and democratic accountability of LEAs as a result of the involvement of the private sector in the delivery of LEA services either through local authority choice or government intervention. There is not sufficient space in this research to give justice to an exploration of the theoretical concepts used to describe the various features of public or private organisations such as management, administration or bureaucracy. However, in order to have a common understanding of the generic terms 'public sector' and 'public service' used in this paper, I have adopted the suggestion by Greenwood et al (2002) that they relate to "being concerned with the activity of public servants and the structure of government" (p2).

2.2 : MY INITIAL LITERATURE SEARCH

This section, which has two parts, will provide firstly a brief explanation on how I began my research proposal by undertaking a literature and primary source material search and secondly explain why I used a framework to analyse the texts in order to create my research questions.

2.2.1 Setting Out Ideas for my Research Questions and Literature Search

By establishing what I wanted to study, I had already begun to formulate ideas for my research questions. However, in order to undertake the research I needed to develop a research proposal. To do this my first task was to undertake a literature search and a search of primary source material.

i/ Literature search. I decided to use an accepted method to undertake my literature search to ensure I considered all relevant aspects. After some consideration, I chose Hart's (1998) method that involves defining the topic for the research and then using a word search technique to refine the search and provide a focus. With my topic defined and initial research questions identified I selected three relevant words: 'LEA', 'private' and 'public'. I then set the parameters for the search that included only looking for material from published books that were written in English. I then did a word search on the World Wide Web. This revealed a wide range of material from the UK, USA and Australia and other substantive references. As a result, I concluded that I needed to research material that considered both the chronology of the changes and the theoretical perspectives that had influenced government thinking.

ii/ Primary source material search. This included searching government information sites and services, research data bases and media reports including the Education Management Information Exchange (EMIE), Ofsted, DfES, the Cabinet Office, local authority websites and accessing information through various web based search engines, including Altavista, Ask Jeeves and ScholarGoogle. I was able to obtain national and local political material and statements, information about the current involvement of the private sector within LEAs, and various public commentaries published in the media including professional journals such as Times Educational Supplement and the Local Government Chronicle. Bell (2000, p109) describes this approach as obtaining both "deliberate sources" and "inadvertent sources" of materials. The literature review therefore contains an analysis of both published and unpublished texts, reports and other materials.

2.2.2 Using an Analysing Framework to Undertake My Literature Review

Cohen et al (2001) states "the review of literature ... is regarded as a preparatory stage to gathering data and serves to acquaint researchers with previous research on the topics they are studying" (p161). However, the task of analysing the information presents challenges not least in absorbing and cataloguing the information. Hammersley (1998) suggests that a framework "can be exceedingly helpful in cutting through a mass of literature" (p80). So, in preparing for this next phase of my literature review, I needed to find a method to analyse the texts that I was reading in order to further develop my thinking and understanding of the issues I wanted to research.

I decided to use a framework developed by Dale (1989, p115), which was also used by Bottery (1999, p308) and adapted by Gunter (2001, p21), in order to organise and classify the information and to build a theoretical structure that could both explain the facts and the relationships between them (Table 2a, p29). The framework provides a chronology set against a series of themes that is then populated with evidence from the literature. However, I was aware that using a two dimensional structure for categorising the information may produce a reductionist approach, which I argue against in Chapter 3, by "predetermining the code and constraining the data", however, the structure does provide what Gunter (2001) describes as "visibility" (p21).

The next section of my literature review provides a discussion of the chronological development of public services from World War II and then uses that information to

populate the framework. This enabled me to analyse the information more easily and led me to conclude that further research was necessary in order for me to clearly understand the development of theoretical concepts behind the four principles for public service (OPSR 2002) and the impact they have today on the delivery of local authority education services.

2.3 : THE LITERATURE REVIEW – A BRIEF CHRONOLOGY AND ANALYSIS OF THE SIGNIFICANT ECONOMIC AND POLITICAL CHANGES THAT HAVE OCCURRED IN ENGLAND SINCE THE END OF WORLD WAR II THAT HAVE AFFECTED THE DELIVERY OF PUBLIC SERVICES

This section has two parts. The first sets out a history of the economic and political changes, from the early 1970s to the present day, that have affected the governance of public services focusing particularly on education. It considers these changes as described by the economic regulationists as well as the views of the public choice theorists or the 'New Right'. This part also explores these writers' influences on the political ideologies of successive governments and the subsequent changes in the governance of education. Part two analyses the findings of the literature review by use of a framework as described above to provide a visualisation of the changes that have affected public services since 1944 (Table 2a p28). The framework is extended to the year 2004 and further adapted to consider the derivation of the Labour Government's four principles for public services.

2.3.1 A View of the Chronological Development of Public Services in England

My review of the changes that have affected local government, and in particular in the delivery of public education service since the 1970s, starts with changes that

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occurred following World War 1 but focuses on the political and ideological changes and the rationale for the intertwining of politics and economics from the demise of the laissez-faire economic orthodoxy that followed the period after World War II to the present day. It traces the developing theoretical perspectives from 'Fordism' to the 'New Right' and considers the ideological position of New Labour's four principles for public services.

Historically, World War I "marked a significant watershed in both the scope and size of the public sector" (Farnham and Horton 1996, p4). After 1918 "the state accepted greater responsibility for housing, education, health and social insurance" and during the 1930s there was the "first weakening of *laissez-faire* economic policies" (Farnham and Horton 1996, p4) with state intervention in regions facing significant problems during the depression. After World War II there was a further expansion of the 'public sector' with a Labour Government elected "on a programme of radical economic and social reform" (Farnham and Horton 1996, p8).

Stewart and Stoker (1989), Farnham and Horton (1996) and Greenwood et al (2002) reflect on the impact of the end of this economic orthodoxy of *laissez-faire* and "the basis of the 'post-war settlement'" that comprised of three interrelated elements: "a mixed economy incorporating Keynesian demand management economic policies; a Welfare State; and political consensus" (Farnham and Horton 1996, p9). This concept was sustained for over thirty years before being replaced in the late 1970s by a free-market monetarist approach.

The 'regulationist' economic theorists referred to the time from the end of World War II to the 1970s as the second stage in the development of advanced capitalist society "characterised by 'Fordist' regulation" (Stewart and Stoker 1989, p141). Although this term is derived from the Ford Motor Company it represents more than a form of manufacturing and refers to the "whole social organisation" including "corporate management and structures and state activities" (Stewart and Stoker 1989, p142). 'Fordism' required a mass unskilled and semi-skilled workforce but "crucial to the 'regulationists' depiction of Fordism" was "the parallel rise in mass consumption" (Stewart and Stoker 1989, p143) and the development of the welfare state. The state not only had a critical role to play in intervening in the economy to manage and sustain the demand for mass production but also to ensure "the social stability and security in which mass consumption could flourish" (Stewart and Stoker 1989, p144).

This era of 'regulation' from 1945 until the 1970s had a profound impact on the development, organisation and delivery of public services, an influence that was sustained well into the 1980s. Stewart and Stoker note that during this period "local authorities … took on some of the trappings of Fordist organisational principles and culture" (Stewart and Stoker 1989, p151) that recognised the dominance of three organising principles: functionalism, uniformity and hierarchy.

In education, this period was also characterised by professional trust delivered through a "tripartite 'partnership' between central government, local government and the organised teaching profession" (Dale 1989, p97). Together the education professionals were seen by central government as "the major means of putting flesh

on the bones of the education framework … and were trusted to do so" (Dale 1989, p99).

However, these monopolistic structures both in the public and the private sector were likened to the bureaucratic principles considered by Weber and have become a pejorative term for large, inefficient organisations, more concerned with the management than the quality and responsiveness of the services being provided.

During the late 1960s and early 1970s, the economy began to decline, the oil crisis of 1973 being a contributory factor. There was a "rapid deindustrialisation, factory closure and large scale unemployment" (Stewart and Stoker 1989, p145-6). There was over production with an "unskilled labour force … at the heart of the system" (Stewart and Stoker 1989, p145-6). Large private corporations, based on the mass production principles of the 'Fordist era', also came under pressure. New technologies had begun "to be employed and new developments used techniques relating to flexible production, segmenting markets and decentralisation" (Stewart and Stoker 1989, p145). The businesses, which metamorphosed, could react more quickly, had at their core a principle of customer focus and were seen to be more successful. They were the product of the private sector operating in a more competitive and flexible market place. But they needed a more skilled and flexible workforce. The public choice theorists state that the bureaucracies were incapable of change and in particular the public sector bureaucrats of the Fordist era were "pursuing their own interest" and "promoting expansion of public services" leading to "government overload" (Greenwood et al 2002, p10).

The Labour Government of 1974 was under severe pressure to reduce public spending. Stewart and Stoker (1989) quote Anthony Crossland saying to local authorities that 'the party was over'. We know that Harold Wilson and later James Callaghan brought public sector growth to a standstill, a theme that Margaret Thatcher continued after her election in 1979. Tony Benn is quoted as saying that the "welfare capitalist consensus which began life in the mid 1940s collapsed in the mid 1970s" (Chitty 1989, p57).

According to Dale (1989), Barber (1996) and Farnham and Horton (1996), it was this period of 'crisis' from 1973 to 1979 that has had the most significant impact on the future delivery of public services. The cracks in the consensus were beginning to appear but it was the slowing of the economic growth rate in the 1970s that was eventually to undermine the "Keynesian-Beveridge edifice" (Farnham and Horton 1996, p10). This period has become known as 'Post Fordism'. The Labour Government began to adopt monetarist policies to curb expenditure and the economic critics began to blame the welfare state.

The first most noticeable impact of all these factors for the public education system was according to Dale (1989) the start of the politicisation of education. The then Prime Minister James Callaghan made a speech at Ruskin College in 1976 that is said to have started 'The Great Debate'. Even the Department for Education and Science could see that, due to the economic crisis, the views of the private sector employers could not be ignored but "from a bureaucratic point of view the creation

of greater differentiation and choice" clearly posed a number of "serious administrative problems" (Chitty 1989, p14).

It is possible to plot from this time, not only a convergence of the political and bureaucratic view points that a greater control of education was needed, but also that the "requirements of the State" would lead "to major changes in the structure and direction of the education system" (Dale 1989, p 45). Farnham and Horton (1996) also describe this time as ripe for "new political and economic ideas" (p10) and a Conservative Government elected in 1979 brought a new philosophy and solution for reducing public expenditure and reducing the power of local government. Their ideas were based on those of the public choice theorists or 'The New Right'. Farnham and Horton (1996) state that these ideas were drawn from the work of economic liberals such as Friedman and Hayek and public choice theorists such as Buchanan, Niskanen and Mueller, whom Labour in opposition criticised.

Some Conservative controlled local authorities such as Solihull Metropolitan Borough Council and Lincolnshire County Council began to push through 'value for money' changes by contracting out key services and introducing internal markets. An 'enterprise culture' was actively promoted by government. Compulsory Competitive Tendering (CCT) was introduced in 1982 forcing local authorities to compete for the work they had traditionally seen as theirs and there was a drive to make the "system more responsive" and to deliver "high quality services" (Stewart and Stoker 1989, p164).

The time appeared to be right for major changes, but it was not for another ten years until the Conservative Government in the late 1980s "possessed the confidence and determination to adopt truly radical strategies" (Chitty 1989, p197), which significantly changed educational policy. However, subtle changes in power and control were introduced during the early period of Conservative governance in order to bring education to the "market place" (Chitty 1989, p118). The government began to create the alternatives by increasing choice and parental involvement. It was the Education Act (DES 1980) that brought together for the first time, parents, schools and the government.

Barber (1996) suggests that "the basic premise behind the Conservative government programme was that market forces would solve the problems in the public sector just as they solved them in the private sector" (p36). Enabling legislation including the Local Government Act 1982 (DOE 1982) was introduced which provided opportunities for local authorities to be more entrepreneurial. However, Ball (1994) would argue that these policies were "heavily constrained and singularly constructed by government" and based on "a form of competition that is intended to achieve particular social and economic goals" and states that Hayek's term for this type of competition is "ordered competition" (p111). The end result is, as Dale (1989) suggests, a shift from the post war state that had once protected the victims of the market economy to one which was now defending the market and espousing the concepts of privatisation and competition.

The implementation of the ERA in 1988 brought the 'market place', one of the key features of the Conservative government economic policies, very firmly into the educational arena and was "one of the most ambitious exercises in social engineering in twentieth century British history" (Dale 1989, p116). The act brought fundamental changes in the relationships between central and local government and schools, and resulted in major changes in the locus of power and control. The legislation was seen as a reaction to three themes that dominated discussions about education in the mid 1980s, that of standards, accountability and economic responsiveness.

One of the elements of the act was delegation of responsibility to school governors for staffing and resource planning and it was the direct link between "financial delegation … and open enrolment" (Chitty 1989, p220) that thrust schools into the market place and made "parental choice a reality" (Chitty 1989, p197). Performance of schools was to be publicly measured through the publication of performance targets. Targets became fashionable and "across the country schools and LEAs adopted them and strove to hit them" (Barber 1996, p134). Other legislation (DfEE 1992, DfEE 1997) was also implemented, which saw not only the introduction of inspections of schools by Ofsted but subsequently the inspection of local education authorities.

According to Greenwood el al (2002) the 'New Right' argued that the welfare state had created "dependency" and weakened "individuals' senses of responsibility for themselves and their families" (p14). These 'New Right' policies were designed to support a "strong state" (p4) yet with an emphasis on "individualism, personal

freedom, choice and the primacy of the markets rather than politics" (p4) as a vehicle for efficient distribution of goods and services.

In 1990, further changes were made as the Conservative Government, approaching its third term of office, felt that the reforms still "had not gone far enough in implementing the market agenda" (Barber 1996, p54). In order to overcome the continued economic problems there was a new thrust to 'managerialism' that continued unabated even under the 'New Labour' government, elected in 1997. Managerialism led to "a focus on management, not policy, and on performance appraisal and efficiency" (Greenwood et al 2002, p9). Farnham and Horton (1996) believe that if there had not been the shift during the 1980s from "politics to markets", from "welfare to enterprise" and from "state monopolies" to the "new managerialist ideas" that were injected into public organisations, then "private sector orthodoxy" (p23), would not have taken root.

A Labour Government elected in 1997, with David Blunket, as its Secretary of State for Education, progressed the previous government's education policies by introducing further legislation and regulation including a Green Paper, *Teachers: meeting the challenge of change* (DfEE 1998 [b]) that progressed the ideology of managerialism. These changes saw the introduction of performance management, appraisals and performance related pay for teachers. These policies endorsed the values and practices of the private sector and sat within a framework, which had formed a "distinctive element in the policies of the 'New Right'" (Farnham and Horton 1996, p42).

The words associated with 'New Right' policies: choice, targets, performance and delegation can also be seen in the principles report published by the Labour Government's Office for Public Service Reform (OPSR 2002). The slight variations in the words used by the OPSR (2002); choice, devolution, standards and flexibility are, I believe, just nuances. The OPSR (2002) statement below illustrates how similar much of the rhetoric is between 'New Right' and 'New Labour'. "The challenges and

> demands on today's public services are very different from those post war years. The rationing culture, ... often overlooked individuals' different needs and aspirations. ….a steadily stronger consumer culture have … brought expectations of greater choice … Rightly, they will not tolerate failure or endure chronic under-performance. These reasonable expectations … mean fundamental changes in the ways in which public services work" (p8-9).

However, whether either government's policies were based on an ideology is debatable. Greenwood et al (2002), in analysing the Conservative policy of privatisation in the 1980s and 1990s, suggests that their approach was seen to provide "solutions to a number of contemporary problems" (p213) and suggests that this also explains why Labour in 1997 did not dismantle the policy and actually continued to expand the role of the private sector. Greenwood et al (2002) concludes that private sector companies were seen by the two government to be more efficient, and that public sector spending could therefore be reduced "at a stroke" (p215). Therefore, the reason the Labour Government retained these polices was for "pragmatic rather than ideological reasons" (Greenwood et al 2002, p215).

To summarise, Chitty (1989), Farnham and Horton (1996) and Greenwood et al (2002) note that the established form of local government of the 'Fordist' era was incapable of solving social and economic problems of the 1970s and 1980s.

Greenwood et al (2002) goes further and suggests there was no option for the changes that the Labour Government started in the mid-1970s, which were ideologically developed by a Conservative government in the 1980s and then continued by 'New Labour' in the late 1990s.

2.3.2 An Analysis of the Literature

Having set out the chronology of the political and economic changes that have affected the delivery of public services since the end of World War II the next stage is to analyse those changing dynamics. I have chosen to use a series of frameworks to illustrate the "visibility of particular themes" (Gunter 2001, p 21) in order to identify how those changes developed over time. To establish the framework I used the three time periods set out by Dale (1989), Bottery (1999) and Gunter (2001) but created a fourth in order to capture the period of the 'New Labour' government from their election in 1997 to 2004, which reflects the period when I was reviewing my research design. The first framework (Table 2a, p29) sets out the changes in political status, culture, economic state, market position, organisational context, ideology and the role of central government from the 'Fordist' era to the present day by identifying seven themes that I felt illustrated the context in which public services were operating. The second framework (Table 2b, p31) proposes principles that might have been associated with the delivery of public services for each of first three periods and then sets out those that were actually established by the Labour Government in 2002 (OPSR 2002). This analysis will contribute to my deliberations in Chapter 5.

The time periods for each of the four eras of significant economic and political change since 1944 are:

1944-1973, a period from the end of the war until the economic oil crisis in the 1970s of political consensus, growth in the welfare state and economic investment;

1974-1987, the era of economic crisis, a breakdown in political consensus and the development of privatisation within the public sector;

1988-1997, a time of significant changes in the role of local government particularly education, the introduction of the concept of the market place into public sector provision and a culture based around the place of the individual;

1998-2004, the influences of a New Labour Government elected in 1997 and the continuation of many of Conservative policies.

Using evidence from the texts in my literature review these four eras enabled me to not only begin my analysis of the development of government policy but also demonstrated the potential for a more comprehensive analysis.

The framework (Table 2a) below clearly shows the chronological progression using my seven contextual themes from 1944 to 2004. To try to establish the relevance of the analysis each theme is evidenced by at least one reference to the texts used in my literature review, including a reference to the document from the government's OPSR (2002). Although the outcome was interesting, I wanted to try to develop these

themes into principles for public service by considering the changes that have

occurred in each timeframe.

Table 2a : Chronological Framework (Dale 1989, p115, adapted by Gunter 2001, p21) : A catalogue of themes from the texts used in the literature review

Themes	1944-1973	1974-1987	1988-1996	1997-2004
Ideology	Fordism (3)	Post Fordism (3)	New Right (4)	New Labour (5)
Culture	Consensus (4)	Breakdown of Consensus (5)	Individualism (5)	Public accountability (6)
'Political' Status	Post War Settlement (4)	Economic crisis (4)	'Thatcherism' (5)	'Blairism' (5)
Economic State	Economic investment (1)	Economic decline (4)	Economic growth (4)	Economic stability (5)
Organisational Context	Bureaucracy (5)	Public Administration (5)	Privatisation (5)	Managerialism (5)
Market State	Welfare State (4)	Market liberalism (5)	Market economy (4)	Public/Private (5)
Role of Central Government	Overseers (2)	Limited assertiveness (2)	Strong State (4)	Increased centralisation (5)

1 Chitty (1989) 2 Dale (1989) 3 Stewart and Stoker (1989)
4 Farnham and Horton (1996) 5 Greenwood et al (2002) 6 OPSR (2002)

I therefore created a second matrix (Table 2b, p31) using evidence from my literature

review that could be superimposed on the framework above to propose a set of

principles which might have been established for the public services for the first

three eras and those that were established by the government in 2002 to reflect the

fourth era.

The evidence from the literature review and the visualisation framework above

shows that during the era from 1944-1973, prior to the 'oil crisis', there was a strong

commitment to **partnership** between the government, local authorities and schools. This was the era of consensus. The state and local authorities were concerned not with markets but provision of welfare services to the masses through **monopolistic** service provision and there was a high degree of **trust** in the **professionalism** of teachers and local authorities. The second era, 1974-1987, as we have seen in the literature review saw the break down of consensus and increasing concerns about the rising cost of public services. There was a shift of emphasis in local authorities, through the introduction of CCT, to needing to achieve **value for money (VfM)**. This brought some elements of private sector practice into the public sector through a limited development of **internal markets** and a focus on **quality** services and **customer** choice. 1988-1997 saw radical change and the further development of the 'market economy' and the use of competition, **choice** and the privatisation of public services, concerns with the achievement of **targets**, reduction in the power of local authorities through the **delegation**, of services to schools and an emphasis on **performance**. 1997-2004 saw the continuation of the shift in emphasis from managerialism, a belief that the public sector needed to assume private sector characteristics of efficiency and **flexibility**, and to be able to respond to the needs of the individual. Now there is an even greater demand for high **standards** and the use of the private sector in public service delivery where they are not achieved. The principles of **choice** are still very important but the shift from delegation to **devolution** might seem to suggest that future policy development will be based on the notion that "public services cannot be made solely accountable to their customers when the democratic accountability is to Parliament or to the local town hall" (OPSR 2002, p9). This might suggest that the control by the state is being reduced.

However, I would wish to argue that in reality the control exerted by the state is still strong and that there is a high degree of centralisation.

Table 2b : Principles for Public Service

1944-1973	1974-1987	1988-1997	1997-2004
Tripartite partnership	Value for money	Choice	Choice
Monopolies	Internal markets	Delegation	Devolution
Professionalism	Quality	Performance	Standards
Trust	Customers	Targets	Flexibility

2.3.3 Summary

This section has outlined some of the economic and political issues that have affected the development of public services since the end of World War II. It has provided a very rudimentary look at the consequences as described by the economic regulationists and public choice theorists. The visualisation framework has helped to paint a picture of the major economic influences and subsequent journeys taken by successive governments in the development of public services since 1944. It suggests, to answer the question about the basis for the implementation of policies, that as governments came into power the move to increase the involvement in the private sector to deliver public services was "incremental and pragmatic" and "unfolded as circumstances and opportunities permitted" (Farnham and Horton 1996, p15) rather than based on political ideology. This is not to suggest that political ideology has not had an influence on the changes we have seen outlined above or on the principles for public services. Moreover, it confirms that more analysis is needed to develop a deeper understanding of the theoretical issues and reasons for the ideological changes that have and continue to take place.

The analysis of the literature review so far has shown how the development of orthodoxies from the 'Fordist' regime led to the 'New Labour' philosophy that sets out the desire to move away from a welfare state where the priorities had become "distorted … leading to a draining culture of welfare dependency" to a society that benefits from "spreading prosperity and opportunity" (OPSR 2002, p2). The Government's priority in 1997 was "to build a strong and stable economy" as they believed that "without a successful economy, Government cannot deliver the sustained investment that public services need" (OPSR 2002, p4).

This raises two questions: the first is whether the principles for public services as set out in 2002 by OPSR (2002) are an inevitable consequence of previous governments' "stop-go investment" in public services and a society based on a "culture of welfare dependency" (OPSR 2002, p5) and the second is will these principles actually lead to improved outcomes in the delivery of public services? These questions are considered in the next stage of my literature review.

2.4 : THE CONCEPTS OF CHOICE, COMPETITION AND MARKETS AND IMPACT ON THE PUBLIC EDUCATION SERVICE

This section has three parts. The first explains why I felt it important to develop my thinking about the theoretical issues and reasons for the ideological changes that have and are taking place in the delivery of the public education service including the role of the state. The second part undertakes a further analysis of texts to consider the concepts of choice, competition and markets and the impact on the public education service and the third is a summary of my findings.

2.4.1 Developing My Thinking

Chitty (1989), Dale (1989), Stewart and Stoker (1989), Barber (1996), Farnham and Horton (1996) and Greenwood et al (2002), authors from my initial literature review, all provide a similar explanation for the 'crisis' that was occurring in education in England in the late 1970s and 1980s and provide a commentary on the impact of legislation that was introduced as a solution to the problems: the ERA. I felt that this gave me only one 'view of the world' and so I needed to undertake further research and expand my literature review if I was to consider alternative 'views of the world' and further reflect on my research questions. This would enable me to produce more reflective arguments when answering my research questions and should mitigate any criticism that my conclusions are based on assumptions of a "universal truth" (Mason 2002, p14).

2.4.2 Further Analysis

In order to undertake this further analysis I firstly reviewed the work of Chubb and Moe (1990) and Tooley (1993, 1995). They identified similar problems of improving performance facing American schools to those faced by English schools in the late 1970s and 1980s that had been considered by the authors in my initial literature review. They saw that "these problems have stubbornly resisted determined efforts to solve them" (pix). However, they discussed radically different solutions that saw less involvement by the state in education rather than the government's view in England that more was required. Consequently, I was able to consider a different 'view of the world'. This was further developed by reviewing the dialogue between Tooley

(1993,1995) and Ranson (1993, 1995) on the effect of introducing the concept of 'markets' into the school system.

It is these different opinions of who should control the construct of the changes and determine the factors that will result in improved performance that provide an opportunity to explore different views of the world and therefore alternative values and beliefs.

Using evidence from the 1970s showing an increasing high school drop out rate and poor mathematics and science results, Chubb and Moe (1990) while reflecting on the 'crisis' in the American education system stated that it "is not working well" (pix). It was being argued from both sides of the Atlantic that not only did educational attainment of pupils need to improve but "workers who are not only technically knowledgeable … but who also have the capacity for creative, independent thought and action" (Chubb and Moe 1990, p9) were needed. Conclusions were also being reached by researchers that in the 1980s "more money, better teachers, better facilities, better leadership … were the crucial determinates of performance" (Chubb and Moe 1990, p14).

Dale (1989) records the views of the time in England being that the "requirements of the state" would lead to major changes to the structure and direction of the education system and improvements in performance. This was supported by the 'effective school' debate of the 1980s which was also being played out on the other side of the Atlantic in America. However, Chubb and Moe (1990) argue that the outcomes from

the research still saw the solutions as being "imposed on the local schools from above…through new rules and regulations mandating the changes desired" (p17) and that "the struggle for academic excellence was played out in an institutional context that was itself taken for granted" (Chubb and Moe 1990, p11).

Chubb and Moe (1990) went on to argue that the wrong "puzzle is being solved" (p19). It was not the "variables inside and immediately outside the school that impacts on performance it was the school system itself" (p19). Chubb and Moe (1990) and Tooley (1995) were arguing for a wholly different system based on the concept of the market and school autonomy and parent-student choice. Chubb and Moe (1990) believed that the reason for this was that "the ideas for educational

> reform are profoundly shaped by the work of social scientists, and social scientists have … paid little attention to institutions in their attempts … to study and explain school performance" (p13).

They went on to state that "political power and social science research had combined to ensure that the reform movement would see the problem … entirely in terms of schools" (Chubb and Moe 1990, p17).

It was the debate conducted between Ranson (1993, 1995) and Tooley (1993, 1995) that ensued in a series of articles about markets and democracy which exemplified the differences of opinion about the role of the state in improving the delivery of the public education system. Ranson (1995) argued that the mechanism of the market as described by Tooley (1993, 1995) is "intrinsically flawed as a vehicle for improving educational opportunities" (p334) and that a "participatory model of governing local education rather than a market … can establish the democratic foundations for the learning society" (p349). This was opposed to the argument proposed by Tooley

(1995) that called for the "separation of school and state" (p149), and argued by Chubb and Moe (1990) that "there is nothing in the concept of democracy to require that schools be subject to direct control by … arms of government" (p229). However, Greenwood et al (2002) conclude that although the basis for the 'New Right' policies and the rationale for the continuation of the previous Thatcher Government's ideologies had an emphasis on "individualism, personal freedom, choice and a primacy of the markets rather than politics as a vehicle for efficient distribution of goods and services" (p4), the Conservative Government policies being developed were designed to support a "strong state" (p4). Whereas Chubb and Moe (1990) and Tooley (1993, 1995), were proposing the need for a fundamental challenge to the whole school system.

2.4.3 Summary

My initial research brief was based on an assumption of a "universal truth" (Mason 2002, p14) as my literature review focused on an exploration of the changing pattern of public services that saw the arguments as relating wholly within a state system where there was a political belief that enhanced school performance would be achieved through an ideology based on the benefits of markets, competition and choice but still strong control by the state. Although all the authors in my literature reviews conclude that there were fundamental concerns with the performance of public education systems the actual solutions suggested by Chubb and Moe (1990) and Tooley (1993, 1995) were very different from those being implemented by the current government. The inclusion of the views of Chubb and Moe (1990) and Tooley (1995) and their ideas relating to the role of democracy in the education

system or differences between state control versus individual control and the debate between Ranson (1993, 1995) and Tooley (1993, 1995) have helped to develop my understanding that the policy of the current government based on its principles for public service reform; choice, standards and flexibility through devolution, thereby maintains a strong state. My research will seek to find out if these principles can deliver the improvements the government requires from public services.

2.5 : REVIEW OF CURRENT LITERATURE

This final section draws on recent articles by Bottery (2005), Goldspink (2007), Ball (2008), Gunter (2008), Levin and Fullan, (2008), Ranson (2008), Strain and Simkins (2008) and Whitty (2008) to see if they provide a different perspective from the authors of the 1990s and early 2000s in their evaluation of the impact of the ERA on current education and local government policies. I have also reviewed the most recent Ofsted annual inspection information for the four authorities used for my field work to create the case studies. This additional information will not only provide an update to my literature review but will also enable me to relate the findings from my fieldwork to more current research and external evaluation outcomes.

Strain and Simkins's (2008) editorial draws together the views of Ball (2008) Levin and Fullan (2008) Ranson (2008) and Whitty (2008) to support their conclusions on the impact of the ERA. Strain and Simkins (2008) consider that it is now "clearer than ever that the ERA was a radical departure from the settlement of 1944" (p155). They note that those changes not only brought delegation of responsibilities to schools, reduced responsibilities for local authorities and increased "role of central

government" (p155) but were expected to create conditions for " 'quasi-market' relations" (p155). According to Strain and Simkins (2008) the government hoped that these conditions together with "parental choice" would become a "force for change and control" (p155). These views are further substantiated from the conclusions they draw from Ball (2008), Ranson (2008) and Whitty (2008). They reflect from Ball's conclusions that the ERA has created an education system that was once "locally administered, into a centralised system delivered through franchises" (p156); from Ranson, that the ERA was a "pivotal point at which learning shaped by professional knowledge was replaced by schooling shaped by consumer choice" (p157), and from Whitty, that the changes were built on "conservative critiques of post-war education policy advocating the 'strong state and free economy'…" which created a "realignment of the relationship between central government, local authorities, and schools and teachers" (p156).

Ranson (2008) goes on to state that the ERA was the "most radical reconstitution of the governance of education since the Second World War" (p201) and that it has created an "administered market that increased public choice … by empowering active consumer participation" and by "deregulating the local government of education" (p201). This new "political order of 'neo-liberal' public choice … based on the principles of rights designed to enhance individual interests" (p202) he believes was established "to restore public trust by making services accountable and responsive to public choice" (p207). This view is supported by Levin and Fullan (2008).

Gunter (2008) reflects on the work of Chubb and Moe (1990) and states that John Major's use of "managerialism" to reform the education sector was the next step in "legitimising private-sector knowledge about business effectiveness" and these "right wing texts" were influential in the development of government policies, which were seen as "privileging" of the private sector (p263).

There is also evidence that these authors in 2008 supported the view that the changes introduced by the Conservative Government in 1988 have been continued by the Labour Government that was elected in 1997. Strain and Simkins's (2008) reflections on Whitty is that the changes have been continued in "New Labour's embrace of both the market and central steerage" (p156). Ranson (2008) concurs stating that there is no evidence that New Labour in 1997 changed the approach in fact there is plenty to suggest that they "accentuated the purposes and practices" (p202) of the policy introduced by the Conservatives. Ball (2008) states that it was the "steady accumulation" of private sector involvements that lead to the private sector being "deeply embedded" in the provision of public sector services (p196) and he believes that in fact there is a "deep political irony" that the "liberal political ideology within the state education system" was in fact "pursued to its conclusion by New Labour" (p197). He argues that although the ERA is undeniably important in the history of Education it had a huge "strategic rather than substantive importance as far as privatisation is concerned" (Ball 2008, p185) and like the views of Greenwood et al (2002) the process of privatisation was "primarily pragmatic and experimental rather than ideological" (Ball 2008, p196). Bottery (2005) also argues that there was

an "air of inevitability in the increased influence and use of the private sector practice in public sectors" (p268).

However, Ball (2008) and Whitty (2008) argue that there were in fact differences in the way the two governments saw the role of the private sector in delivering public services. Whitty (2008) states that the Labour government tried to "bridge the ideological divide" (p170) between the Conservative policy and socialist policy reflecting that the Blair government felt that if they acknowledged the "negative equity effects of quasi-markets" and made a pledge to commit "to the pursuit of social justice" this would represent "an attempt by the government to link a new recognition of diversity with Labour's traditional concern with equality" (p171). Ball (2008) although he saw the privatisation established by the ERA and subsequent legislation as the "creation of market-relations within and between public sector providers" (p186) requiring them to "act like businesses and be business-like" (p186) which "broke the … monopoly of service provision" by the local authority through the introduction of CCT, notes that when Labour came to power in 1997 CCT was changed to a requirement for local authorities to prove Best Value in service delivery. Ball (2008) also noted that this changed the notion of services being delivered by the "lowest bidder" (p188) to one where quality was also deemed important. However, Ball (2008) did acknowledge that the private sector is at the "very heart of policy" (p186) and since 1997 Labour has not only introduced the concept of "out-sourcing" of LEA and Children's Services but also expanded the PFI initiatives and "vastly increased the use of private consultants in the business of government" (p190).

There is, therefore, some consensus about why the Labour Government continued to espouse the role of the private sector in its policy development of the public sector but a view that the implementation of new polices was subtly different in concept. Since 2004, there have been significant changes in the delivery of services for children and young people through the implementation of the Children Act (DfES 2004) and Ranson (2008) is of the view that these new policies are beginning to challenge the Labour Government's view about public services. He quotes, the then Education Minister, David Miliband stating that these new policies seek to "interconnect school, local services and community" (Ranson 2008, p202). He believes that this new form is "taking shape within the problematic frame of the old" (p202) as he believes that "choice for parents … stands in tension with policies to encourage local partnerships" (p202). The other aspect is how this new policy sits along side the continuation of the role of 'strong state' by central government; one I have argued still exists in 2009. The most recent evidence is the government's intervention in eight local authorities, following the publication of the 2008 APAs. In these authorities that were judged unsatisfactory in relation to their delivery of their safeguarding responsibilities the government has insisted on intervening in the delivery of the services and in one local authority appointing the authority's chief officer for children's services. (DCSF 2008 [a], DCSF 2008 [b]). However, further research will be needed to consider the impact of this particular intervention.

The final issue to consider is the belief that an outcome from the implementation of ERA would be improved standards in schools. In Strain and Simkins (2008) it is Levin and Fullan's (2008) evaluation of the policies that have been developed over

the last 20 years who argue that "the premises underlying the reforms, whereby competition would be the driver for improvement, has not been vindicated by the evidence" (p159). Whitty (2008) explains that the Conservative policy of the 1980s was formed on the belief that the current system had led to "dull uniformity" and a "levelling down of standards" (p166) and the notion that by increasing the "power of the consumer" and reducing the "power of the producer" (p166) the result would be in improved standards.

However, Levin and Fullan (2008) state that although there has been little evaluation of the ERA the research that has been done has provided "a starting point for some impressive learning about how to bring about real and lasting improvement in student outcomes" (p291). They believe their research has shown that in fact it is the "sustained effort to change school and classroom practices, not just structures such as governance and accountability" that has led to the large scale and sustained improvement in student outcomes (p291). They base "this assertion on … our own experience and careful reading of a wide range of research" of "both published and un-published literature" (p291). Levin and Fullan (2008) argue that the "assumption in the ERA on choice and competition as the drivers of improvement has not been demonstrated to work" (p300). The use of this strategy across the USA, Australia and parts of Canada has "not been able to demonstrate significant gains in student outcomes" as compared with "less differentiated school systems" (p300). Examples given by Levin and Fullan (2008) include Finland where there is "little attention to competition" (p300) and they believe that there are "still many places … relying on top-down, policy-driven approaches to change that cannot, in our view, deliver real

and lasting improvements in student's learning" (p300). They acknowledge that the "ERA certainly changed education in England but it did not bring the improved results that had been hoped for" (p301). Levin and Fullan (2008) believe that what has been learnt about change as result of the ERA will ensure that "countries will now pay more attention to the quality of the teaching force and of school principals and leaders at other levels" (p301). They conclude that the "ERA was one of the

> seismic events that set both policy and research looking for a higher bar. But the ERA strategies were insufficient to produce the necessary improvements. Growing evidence … indicates that this new level of success requires a different strategy, one that tackles success for all students through changes in practices in all schools as well as related policy changes. We believe that there has been a quantum shift in the past decade in recognising what will be needed to achieve this most ambitious goal" (p302).

This view is substantiated by Goldspink (2007) who argues that more recent theories that are based on a "loosely-coupled/complex systems" perspective will achieve results that "are in sharp contrast to the failures of decades of reform based on more conventional managerial and economic derived theories and ideologies" (p46). For the four authorities that are used for my fieldwork, which include one authority that engaged with the private sector as well one that continued to deliver the education services themselves, the APA Scores for 2008 show after initial large variations in performance in the late 1990s they now have little variation in their scores for school performance. However, one authority that has used the private sector has gone from the highest overall performance to the lowest.

The findings and discussion from the outcomes from the fieldwork set out in Chapter Five will seek to explore the reasons for the similarities and variations thereby

adding to the current field of knowledge about performance at local authority level and identifying further areas for research.

2.6 : CONCLUSION

The literature review has provided an outline of the historical events relating to the development of public services in particular education services from the end of World War II to the present day and chronicled those events by using a framework to look at the development of the principles of public services.

It is possible to conclude from the review of the literature that the ERA introduced a fundamental change in the way education policy has been developed since 1988, which has been maintained and further embedded by the Labour Government elected in 1997. The ERA introduced the concept of competition, the market place and parental choice together with an increasing involvement of the private sector in the delivery of public education services as a means to drive up standards in schools. But it also created a strong role for central government. Ball (2008) states that the education market that was created was not a "neo-liberal free market" but "a state regulated market" (p197) and Chubb and Moe (1990) and Tooley (1993, 1995) would argue that is the reason why standards have not improved. However, Goldspink (2007) and Levin and Fullan (2008) would suggest that it is not the market place and competition in a deregulate system that will improve standards but consideration of classroom practices and theories based on "loosely-coupled/complex systems" (Goldspink 2007, p46) that will bring about improvements. It will therefore be interesting to see from the analysis of the findings

from my four case studies what evidence there is to substantiate any of the claims

about what leads to improved performance and if this is confirmed in the outcomes

from the most recent annual inspection of the four local authorities.

CHAPTER 3

RESEARCH DESIGN

INTRODUCTION

This chapter provides information about my research design and has five sections. The first describes my research questions and the second section considers the theoretical aspects relating to research and explores my research methodology, including a brief analysis of my philosophical and personal position in the research as an elite interviewing elites. It also considers how other researchers have approached that issue. Section three shows how I used a matrix to analyse my questions and create my research design. The fourth section outlines the nine stages of my research strategy leading to a final section that reflects on the strengths and limitations of my research design.

3.1 : THE RESEARCH QUESTIONS

This section outlines the basis of my research questions (Appendix 2.1) following my literature review.

In my literature review I researched the chronology of events that led to the Conservative Government in 1988 implementing the ERA and subsequent legislative changes that were developed by the Labour Government post 1997. I also researched the theories relating to markets, competition and choice and why those concepts were adopted firstly by the Conservative government in the late 1980s and then sustained by the Labour government from the late 1990s as a means to improve

the performance of public education in England. As a result of my reading I was able to use my enhanced knowledge to create my research questions.

In formulating research question one, I focused on the impact of the legislative changes introduced by the Conservative Government in the 1980s and 1990s, which continued to be promoted by the Labour Government that followed them. This related to my interest in the historical perspective of the changes to legislation. I also wanted to identify the rationale behind the changes made to the legislation and consider if they were based on a theoretical model of choice and markets or whether they were more of a practical decision driven by research on performance measures and an evaluation of the effectiveness of public services. Question two was created to help me understand why some local authorities voluntarily used the private sector to deliver educational services. The third question sought to find out if the private sector is more successful at improving educational outcomes than local authorities. The focus of question four was to discover whether the use of the private sector impacted on local governance and public accountability.

3.2 : LOCATING THE RESEARCH

This section considers the theoretical aspects relating to research and explores my research methodology. The 'field' of study for my research is set out in the research questions and crosses many boundaries but lies within the field of public services, in particular those relating to education management and leadership.

3.2.1 Field of Study

My approach to the research is interpretivistic as my intention was to "create as vivid a reconstruction as possible of the culture or groups being studied" (Cohen et al 2001, p138) through a process involving "methods of inquiry, an outcome and a resultant record of inquiry" (Cohen et al 2001, p138). This recognises the ontological perspectives, where reality and truth are a product of individual perception, and epistemological perspectives, where knowledge is subjective and based on experience and insight.

3.2.2 Theoretical Perspectives

In considering the theoretical perspectives of my research proposal and the location of my research within a particular field, I will briefly refer to the influences that come to bear on researchers and the impact that has on research design.

According to Cohen et al (2001) research is a complex issue, it is more than a technical exercise and although Denzin and Lincoln (2003) identify
> "three interconnected generic activities" [which] "define the qualitative research process...the researcher collects empirical materials…analyses and writes about them", [they also] identify that "behind these terms stands the personal biography of the researcher … The gendered, multiculturally situated researcher approaches the world with a set of ideas, a framework (theory, ontology) that specifies a set of questions (epistemology) that he or she examines in specific ways (methodology, analysis)" (p29-30).

Denzin and Lincoln (2003) also state that "these beliefs about ontology, epistemology and methodology shape how the qualitative researcher sees the world and acts in it" (p33). Mason (2002) describes this as being "grounded in a philosophical position" (p3).

Qualitative research involves active self-scrutiny or "reflexivity" by the researcher (Mason 2002, p 7). Cohen et al (2001) and Denzin and Lincoln (2003) also see the benefit of reflexivity and identify it as "the process of reflecting critically on the self as researcher" as it comes to bear on not only "our choice of research problem and with those with whom we engage but with ourselves and with the multiple identities that represent the fluid self in the research setting" (Denzin and Lincoln 2003, p283).

Reinharz in Denzin and Lincoln (2003, p283) suggests that there are actually three selves. The first, "research-based", is where the researcher has been influenced by the research they have already undertaken. Secondly, the "brought selves" is where the researcher brings to the interview their view of the world and position it in. Thirdly, "situationally created selves" is where the researcher reflects on the impact of the context of the research. Reinharz in Denzin and Lincoln (2003, p283) suggest that each one needs to be interrogated if we are to understand what we are doing, why we are doing it, how we interact with respondents and how we interpret what we have witnessed. Mason (2002) interprets this as we have seen as undertaking an "intellectual puzzle" (p18) where the researcher continually reviews and reflects on how they see the world and how that impacts on how they interpret what is seen.

3.2.3 Conclusion

Having explained my personal position and values developed through my formative years, subsequent life experiences and professional career, I will now show how, by using a matrix designed by Mason (2002), I have been able to analyse my approach to my research design.

3.3 : CREATING MY RESEARCH DESIGN

In this section, which has five parts, I intend to show how I was able to think through my overall research design by analysing my four research questions using a matrix designed by Mason (2002). She argues that an analysis of data sources and methods used, the justification and resulting practicalities, and ethical issues raised is a good way to undertake the preliminary research design stage, as it involves formulating a methodological approach to answering the research questions. The first part of this section sets out the argument for using Mason's (2002) matrix and shows how I analysed my research questions; the second briefly considers interviewing as a research method; the third considers the issues of interviewing elites including the ethical issues particularly when the researcher is also an elite and sets out why using semi-structured interviews is an appropriate research method. The fourth part shows how the use of case-studies will provide an opportunity for in-depth research in order to explore my four research questions in four LEAs. It also considers why there is a need to include analysis of documentary evidence in order to select the four local authorities for the case studies. The final part provides a summary of the key issues discussed.

3.3.1 Analysing my Research Questions

A clear benefit of using Mason's (2002) matrix is that through setting out my research strategy in a logical way I was be able to understand what might constitute knowledge or evidence relevant to my particular research or, as Mason refers to it, my "intellectual puzzle" (Mason 2002, p18). Using this strategy enabled me through my research to reflect on how I see the world and how I interpret what I see or hear.

It also enabled me to consider in some depth the practical and ethical issues that I faced when undertaking my field research and helped identify any weaknesses in my research design that needed to be addressed. Specifically those related to using interviewing as a research method and in particular the implications of interviewing elites. I followed Mason's (2002) format by populating the matrix with my research questions and then listed possible data sources and proposed methods that would provide the information I required to begin my research (Appendix 3.1).

3.3.2 Research Method - Interviewing

In deciding what research method to employ I considered what methods might be most appropriate and fit my philosophical position. I decided to use interviews as my main research method to create case studies as I believed they would provide a unique opportunity to get first hand accounts from people who are in elite positions.

My research design (Appendix 3.1) provides a list of stakeholders to be interviewed including elected members and chief officers from local authorities, headteachers, and senior staff from the DfES, Audit Commission and Ofsted. I recognised that these potential interviewees were elites and therefore I would require a clearer understanding of the issues about interviewing elites. Walford (1994), Platt (2001) and Mason (2002) provide some insights into practical problems related to interviewing elites and how they may be overcome or controlled for. These insights are based on their own experiences of interviewing elites, as well as those of others. Ball, in Walford (1994), argues that interviewing elites "is not irretrievably flawed as a research instrument … but it is richer and more difficult than is typically acknowledged by researchers" (p113). He sets out a number of reasons why it may

be difficult including the issues of power relationships, control and knowledge. These issues are explored in the next section.

3.3.3 Interviewing Elites and a Researcher as an Elite

Another factor, which added a further complexity to my choice of research method, is that I am also a member of an elite as I am a chief officer in a local authority. This issue was discussed by Platt (2001) who states that "most textbooks …assume that

> the respondent is not the interviewer's or the researcher's peer … Experience of interviewing peers shows that the interview relationship is very different … and that a variety of specific consequences for the nature of the interview follows" (p75).

Consequently, I had to reflect carefully on my research design and consider the impact arising from this additional dimension. There were important issues to consider when exploring access and the ethical issues of confidentiality and anonymity, power relationships and conscious role-playing.

The practical issue of access to elite interviewees has a number of components, including actually getting people to agree to be interviewed and the time they have available. Walford (1994) states that it is helpful if the researcher has links or contacts or if the 'powerful people' are now in retired positions as they may be more willing to share confidences. Initial access for me as a chief officer to other chief officers was not difficult as I am a member of the same "shared community" (Platt 2001, p78). However, difficulties could possibly have arisen following the initial contact when the chief officer has a fuller understanding of the nature of my research resulting in a reluctance to take part because of the lack of anonymity. I also had easy

access to colleagues at the DfES, Audit Commission and Ofsted. One of my proposed interviewees was retired and as I have already noted Walford (1994) considers retired people more likely to provide information than current incumbents.

My interviewees as elites were all busy people and the issues of access and ability to arrange suitable time-slots of sufficient length to complete the research was difficult. Time for me personally was also an issue that needed to be resolved.

3.3.4 Ethical Issues

Having studied Walford (1994), Platt (2001) and BERA (2004), I identified a number of ethical issues associated with interviewing elites that required consideration in designing my research. The first of these is confidentiality through anonymity. However, it would be impossible to ensure anonymity for the chief officers and other leaders who are part of the research as they have by the very nature of their positions "high visibility" (Walford 1994, p22). Even if names are kept anonymous, they will be able to be recognised by the information in the case studies. There were also consequences for me being known within my "community" and therefore I bear a "social responsibility for the research" that I "will need to live with" (Platt 2001, p75).

The next set of ethical issues, which I have grouped together, relate to power relationships, control and knowledge. Walford (1994) states that politicians and senior government officials are "well versed in controlling any information they provide" (p5) and Ball, in Walford (1994), identifies from his own research that

elites will not only want to "control the event" they will also want to "control meanings" (p96). Therefore knowledge in this context is included within the power and control issues as all these aspects have a bearing on the research method selected. It is acknowledged by McHugh in Walford (1994) that elite subjects will be very knowledgeable and the researcher needs to be well prepared. He stresses that there are two stages of preparation. The first, before the interviews take place, is "remote" and includes, for example, researching the person or company to get background information about them and the second is "proximate" or just prior to the interview where, for example, the researcher needs to ensure the actual questions to be used are appropriate and that recording equipment is working.

Elite subjects may have already been subjected to research or they may have undertaken it themselves. I therefore needed to be aware that they were likely to be able to "construct a conception of what the interview is meant to be about" (Platt 2001, p77), which would impact on how they behaved. Another aspect about knowledge which is more practical than ethical is that assumptions could be made by the interviewees about our mutually shared understandings. However, it has been shown by Platt (2001) that it is important to "get it all down on paper" otherwise biases are unnecessarily introduced and "key data will not be recorded" (p78). Platt (2001) also recognises that although it is important for the researcher to give the interviewee a full account of the rationale and purpose of the study the focus of the interview should be on the research questions not the nature of the study.

To control for some of the issues outlined above I used, as Walford (1994) suggests, semi-structured interviews in order to "offer some control over interviews" acting "as

a foil to those who were used to being deferred to and listened to or just talking their own agenda" (p96). Also to make the interview work I would need to use "conscious role-playing" (Platt 2001, p80). This is important to ensure that the interviewer maintains the role of researcher and not one of a colleague in the same community. Although this in itself has problems as Platt (2001) outlines it is difficult in maintaining your own intellectual integrity if you do not reveal your own hypotheses. However, the role played by the researcher needs to be understood and carried out successfully to ensure the data given and received and that knowledge is seen to be "excavated" not "constructed" (Mason 2002, p63). The interviewee should be providing "raw data" (Platt 2001, p80), which the researcher interprets and so as not to create a jointly agreed interpretation of the events.

The roles of interviewee and the interviewer will also not be the only ones present. There will also be a relationship based on the fact that outside the situation they are equals and that they belong to the same community. The two players have to manage their own feelings and themselves. I therefore had to ensure I controlled how much of me as an elite was within the role of me as a researcher.

Platt (2001) reminds us that "no technique is problem-free" and that "the weakness of interviewing is intrinsically bound up with its strengths as a specialised mode of social interaction" (p89). Mason (2002) reiterates that it is this social interpretation or context of the interview that is important. The relationship between the elite interviewer and the elite interviewee is therefore very complex and it is important to

understand these complexities and develop a sense of how they will materialise during my interview interactions.

Harvey, Oppenheim and Miller in Cohen at el (2001) also suggest that "both interviewer and interviewee need to be prepared in advance … if its potential is to be realised" (p291). In order to do this, while considering all the issues and possible problems outlined above, I decided to send my interviewees my thesis title and research questions in advance of the actual interview. I did this for a number of reasons. The first was to make it very clear to the interviewee what I was researching and, although I had received their consent, it was another opportunity to ensure they felt comfortable answering the questions. The next reason was to reduce the time needed to further explain my research as this would avoid the interview shifting to a discussion. It also enabled the experienced interviewee to do some preparatory thinking which was valued. Two other issues emerged, one of mutual respect in that I was seen to be continuing to undertake personal development albeit with a heavy workload and responsibility and the other was that it gave the interviewee time to reflect on what had happened within their own authority which they said was very useful.

3.3.5 Research Methodology and Method – Creating Case Studies Using Semi-Structured Interviews

The most significant element of my research involved the preparation and carrying out of in-depth case studies through semi-structured interviews with a small number of people in selected LEAs, supplemented by information from interviews with others. This provided "a unique example of real people in real situations, enabling readers to understand ideas more clearly than simply by presenting them with

abstract theories or principles" (Cohen et al 2001, p181). In seeking knowledge through the qualitative approach, I was able to better understand the context in which decisions and actions had been taken place by "observing effects in real contexts" (Cohen et al 2001, p181) in order to more effectively comprehend the outcomes. By using a "collective case study" as classified by Stake in Cohen et al (2001) I have been able to provide "human scale data on macro-political decision-making, fusing theory and practice" (p183). Cohen et al (2001) provide examples of this which includes Ball's work "on the impact of government policy on specific schools" (p183) and although my work relates to local authorities I do believe that the case studies have helped to provide a basis on which to critically analyse the theoretical perspectives and prior research materials considered within the literature review and the outcomes from the fieldwork and will add to current knowledge.

Finally, although one element of my research methodology included investigation through the analysis of documents, namely Ofsted reports (Appendix 1.3) it does not move the context of my research into a predictive analysis only an interpretative one.

3.3.6 Conclusion

The analysis of my research design (Appendix 3.1) enabled me to enhance the development of my research strategy and to ensure a more effective approach to my field research. In particular I learnt that I needed to be very well prepared and once having gained access, establish a role for myself as researcher with a clear understanding of the "multi-faceted uniqueness of each encounter and the crucial status of each interview transcript" (Walford 1994, p97). However, as a member of

an elite interviewing other elites there were also other factors that I knew would impact on the interview context as Hastrup, in Walford (1994), states "it is not the unmediated world of others but the world between ourselves and the others" (p97) that is important.

Although I have not explored in detail issues relating to the selection of semi-structured interviews as a research method, Walford (1994, p58) argues that they provides "a unique instrument of social investigation" and will help me to control for many of the issues I will face in interviewing my peers. The analysis (Appendix 3.1) also showed that I will not be able to control for the issues that I will face in the practicalities of setting up the interviews or in the ethical issues my respondents and I will face but the outcome, set out in the following chapters, will reveal a very rich source of data as a basis for analysing my research questions.

3.4 : RESEARCH DESIGN - PRACTICAL IMPLICATIONS

In this section I intend to set out briefly the nine stages I undertook in establishing my research strategy, which was refined as a result of the analysis of the information set out in the research design matrix (Appendix 3.1) and are reflected in the descriptions below.

3.4.1 Research Title and Setting Out my Research Questions

The first stage in formulating my research strategy was to consider what I wanted to research, create a working title for my thesis and set out research questions (Appendix 2.1) that would help me explore the issues I wanted to study. As a chief

officer facing very clear messages from the current Labour government that public services need to be more about commissioning rather than the delivery of services and that the private sector will provide better and more cost effective services. I needed to be able to better understand the issues and explore the impact and the consequences on public service delivery.

3.4.2 Establishing Data Sources and Literature Review

The second stage was to establish what data sources were available and to undertake a literature review. As discussed in Chapter 2, a variety of primary data sources were sourced and an initial literature review undertaken that focused on texts from 1988 to the present day. It soon became clear that the search needed to be expanded to include texts that commented on the changes in education policy development since the implementation of the 1944 Act (Ministry of Education 1944). The literature review was developed three times during my research. Firstly, to develop my understanding of the theoretical issues and reasons for the changes that were taking place in the delivery of the public education services and secondly to look at texts that focused on the role of competition and the market place. The third development was to consider if more recent texts had revealed any new information relevant to my own research.

3.4.3 Creating the Research Questions and Preparing for the Fieldwork

The third stage involved three elements. The first, as a result of the literature review, was to establish the research questions as already described in Section 3.1. The

second was to identify the interviewees and the third involved setting the interview questions and testing them out through a pilot.

3.4.3.1 Identifying the interviewees

From my initial research design, I knew for each of the four case studies I wanted to interview the chief officer and the lead councillor responsible for education and a headteacher. These three senior figures within a local authority are responsible in their own right for the development, implementation or delivery of local policies and I believe their views would be critically important in providing information about the issues for their own local authority. I also felt it was important to interview three senior people from the government agencies that were relevant to my research: Ofsted and the Audit Commission, who would have been involved in the inspection of local authorities, and the DfES, who would have been involved in the monitoring and challenging the performance of local authorities following the inspections. These three interviews would help me to understand what government might have been thinking in relation to the issues associated with LEAs failing their Ofsted inspections and why the use of the private sector was considered. I therefore interviewed a total of fifteen people.

3.4.3.2 Testing the questions and recording the interviews

The guidance on using interviewing as a research method (Bell 1999, Cohen et al 2001, Coleman and Briggs 2003) includes a recommendation to pilot the questions before undertaking field work. This helps evaluate a number of issues, including relevance, appropriateness and length of time needed for the interviews, before

embarking on the full scale project. To enable me to pilot the questions, a colleague chief officer offered to be interviewed. In my initial preparation for the pilot I recognised that I would not only need to devise interview questions in order to explore the research questions that were quite broad but I also needed to have questions that enabled the interviewee to reflect on the context of their own authority. My first attempt produced too many detailed interview questions, which I reduced before embarking on the pilot interview to ensure that I focused on the key aspects of the research questions.

I was not able to test out the use of the tape recording machine that I proposed to use for the field work interviews as time constraints for my colleague meant that I had to do the interview over the telephone, although I acknowledge that this approach would not be the same as undertaking face to face interviews. Cohen et al (2001) recognise that there are both "strengths and weaknesses" (p124) in the approach .The absence of "non-verbal cues" can be significant but Miller and Cannell in Cohen et al (2001) argue that the fact that they are "not face to face may strengthen their reliability" (p124).

The pilot experience was useful. Firstly, I found that I needed to annotate the responses to the research question as the answers did on occasion shift between questions. I also found the annotation very useful when it came to analysing the data. Secondly, two out of the three interviews with the government agencies also had to be done via the telephone due to travel and time constraints. So, it was useful practice.

3.4.4   Developing an Analytical Framework to Identify the Individual Local Authorities to be Included in the Case Studies

The fourth stage in establishing my research strategy involved documentary analysis and to do this I developed an analytical framework to enable me to identify which local authorities should be included in my fieldwork. I used primary sources that included LEA Ofsted reports (1997-2001), a report by Bannock Consulting (2003) commissioned by the DfES and extracts from an EMIE (2002) database analysis of LEA Ofsted inspections. The information from Bannock (2003) sets out which LEAs following their Ofsted inspection had engaged with the private sector, how that engagement was formalised and which LEAs engaged in other types of partnerships.

My research questions considered the concept of successful and unsuccessful LEAs, based on the findings from local authority Ofsted inspections, and the involvement of the private sector in the delivery of some or all of their education services through choice or intervention. I constructed a framework (Appendix 1.3) based on the research by Bannock Consulting (2003) so that I could not only categorise how successful an LEA was, based on Ofsted criteria, but I could then categorise the LEAs by the type of involvement they had with the private sector or other local authorities and whether that was as a result of:

       a) intervention by private sector as required by the DfES;
       b) intervention by peer group as agreed with the DfES;
       c) involvement of the private sector by the local authority as a response to the outcome of the Ofsted inspection; or
       d) involvement of the private sector by the local authority through choice.

I selected one LEA from each of the four categories to become the focus of my fieldwork and to enable me to develop four individual case studies. The criteria for my selection were based on my personal assessment that they were good examples of their category and I had ease of access through either personal contact with their chief officer or travel.

By using a framework, I negated the need to incorporate into my research plan a questionnaire to all LEAs that would seek out information on their status. Although using a questionnaire at this point may have provided some additional information I believe it would not have provided better factual information than I would gain from my various searches.

3.4.5 Preparing for the Fieldwork

The fifth stage of my research strategy was to prepare for the fieldwork and involved two stages. The first was to contact the chief officers from the four LEAs selected initially from my analysis as described above and the three other senior colleagues from Ofsted, DfES and the Audit Commission in order to have an initial discussion about their involvement in my research and the second stage was to arrange for the interviews to take place.

3.4.5.1 Contacting the Chief Officers and senior representatives

i/ Contacting chief officers - Having selected my four LEAs to be used to create four case studies I then contacted each chief officer in person by telephone to explain that I was undertaking research; that the research was being undertaken on a personal

basis and not connected with my role as a chief officer; provided a brief outline of why I had contacted them and what the research was about. I explained that I wanted to interview them, their lead councillor for education and a headteacher. I also discussed issues relating to confidentiality and sought their consent and was able to inform them that as a result of my pilot interview the time needed for each interview would be no more than one hour.

ii/ Contacting senior representatives

I used my personal contacts through the Audit Commission to firstly ascertain names of colleagues from Ofsted and the Audit Commission who were involved at the time of the first LEA Ofsted inspections that involved intervention orders from the Secretary of State. I identified a contact at the Audit Commission and one at Ofsted that would meet those requirements. I contacted them to see if they would be willing to help me with my research and discuss issues relating to the arrangements for the interview including confidentiality, consent, time and, venue. My DfES contact, a retired senior official, who I have worked with professionally also agreed to take part in my research. My list of 15 interviewees was now complete.

3.4.5.2 Making arrangements for the interviews

The LEAs - Having gained the chief officer's consent to be interviewed I then asked them to help by organising my interviews with them, their lead member and a headteacher. Once all the arrangements were in place and in order to control for some of the issues relating to interviewing elites as set out in 3.3.3, I sent each chief officer three copies of the research questions, one for each interviewee.

Other senior colleagues - Having gained their consent and made arrangements for the interviews, I sent the three Government agency officers copies of my four research questions. As these interviews were to provide additional information to support the research rather than as part of the case studies I agreed to their requests of two of the interviewees, due to time constraints, to use telephone rather than face-to-face interviews.

3.4.6 The Fieldwork

The sixth stage of my research strategy involved completing the preparation and then undertaking the interviews.

3.4.6.1 Preparation

My pre-interview preparation involved re-reading the relevant Ofsted reports and council reports for each local authority to make sure I was well briefed on the local context. For the face-to-face interviews, I made sure my recording equipment was working and had spare tapes and batteries. Each tape was pre-labelled with the name of the interviewee. I also had copies of my research questions set out with spaces in between so that I could make brief notes if necessary on any key remarks that occurred during the interview that I wanted to record in writing as significant I also had spare pens and pencils.

3.4.6.2 The interviews

I customised the interview questions relating to each research question for each of the local authorities so they reflected the outcome of the particular authority's Ofsted

inspection and their involvement with the private sector (Appendix 3.2). I did this to

ensure that the interviewee could relate the answers to the context of their authority

and, hopefully, to show that I had researched their story. The interview questions for

the each of the senior government officials needed to be slightly different as I wanted

to draw out information from the perspective of their agency not only their

involvement but their relationship to government policy (Appendix 3.3).

I used a recording system for all the interviews even those on the telephone by using

speaker phone, so that I could later reference each interview question to a research

question as part of the analysis. I started each interview with a brief introduction

about the research, to ask if they needed to seek clarification about the questions, to

confirm the time needed was about an hour and once again to seek consent and

discuss any concerns about confidentiality. Again consent was received in every

case.

3.4.7 Transcribing the Interviews

The seventh stage involved transcribing the interviews. I transcribed the taped

interviews with the three government officials. The other interview tapes from the

local authority case studies were transcribed professionally word for word. However,

I was aware that transcription would not provide an "objective record" (Mason 2002,

p77) of the interview. Therefore, to ensure that I understood the meaning of the

responses I listened to the tapes and reviewed them against my notes and the

transcribed interviews, annotating the transcription where appropriate.

3.4.8 Analysing the Data and Writing-up the Case Studies

Stage eight involved three processes. Firstly, analysing the data from the Ofsted inspection reports and writing up brief summaries. Secondly, analysing the data from the interviews and then writing up the case studies and thirdly involved considering the issues to do with reliability and validity of the research findings.

3.4.8.1 Analysing the Ofsted data and creating brief summaries

To analyse the Ofsted Inspection reports I focused on the socio-economic and political contexts together with the inspection judgements on the educational outcomes. I used the authorities' initial Ofsted inspection reports plus the subsequent reports to track the changes in the local context but focused on an analysis of the inspection judgements. I extracted the information I needed from the reports to create a brief summary of each authority's context and overall summary judgements.

3.4.8.2 Analysing the data from the interviews

Robson (2002, pp456-73) considers the many types of data analysing methods as described by a number of researchers including Tesch, Crabtree et al, Weitzman et al and Miles and Huberman. They all agree that although one problem for researchers is data overload the main difficulty is in data analysis. Robson (2002) states that there is "no clear and accepted single set of conventions for analysis" (p456) so I needed to adopt a system. Fetterman in Robson (2002, p459) argues that the central requirement in qualitative analysis is clear thinking which Robson (2002) suggests is achieved by finding a systematic approach which minimises "deficiencies of humans such as distortions and biases" (p459). Having considered a number of approaches I

believe that Miles and Huberman (1994) provide an invaluable framework for conceptualising qualitative data analysis. Their aim is to account for events, rather than to document their sequence. They identify three concurrent flows of data activity: data display, data reduction and conclusion drawing and verification. They suggest that these flows of activity together with the activity of collecting the data itself form a continuous iterative process.

The first stage of data analysis is data display, which I achieved by reviewing the transcripts and becoming immersed "in the data collected, to pick up all the clues" (Cohen et al 2001, p284). The next step, which is more difficult and needed to be repeated for each case study, was to bring together the responses from each interviewee for each of the research questions and each interview question. Although the nature of the semi-structured interviews meant that responses were not always consistently aligned by each interviewee to the similar questions it was possible by using a colour-coded classification system to identify the data that related to each research question, one colour for each research question together with a letter A, B, C, D and then a number to represent the response to each sub-question, for example, A1, A2, A3, B1, B2, etc. An example of a transcribed interview is presented in Appendix 3.4.

3.4.8.3 Analysing and using the information from the interviews
i/ The three government agency interviews – data reduction
Using Miles and Huberman's (1994) approach it was possible to reduce the data by colour coding the responses to each of the research questions and to draw together a

summary of the views of the three government agencies for each question. Although the interviews were not used to create case studies they provided a useful introduction to my research. The reflections provided an insight into the issues government were considering when LEAs failed their Ofsted inspections and why and how the use of the private sector was considered.

ii/ The four case studies - data reduction

Again using Miles and Huberman's (1994) approach I colour coded the critical issues in the responses for all interviewees to each interview question. I went back to listen to the taped interviews to begin to identify the meaning of what was being said, related that meaning to the research question and undertook further reductions. I was then able to determine clusters of meanings and the themes that I set out as a matrix to help to draw together a summary response to each research question. I kept the format the same for each research question and interview question by describing firstly the views of the lead councillor and then the director followed by the headteacher. The process was very time consuming but I believe it enabled me to produce more effective case studies.

3.4.8.4 Writing up the interviews - reliability and validity

The concepts of reliability, validity and verification are key issues to consider before writing up the findings from the research. Although Miles and Huberman (1994) suggest that the issues of reliability, validity and verification are constantly undertaken as the "analyst proceeds" (p11) it is important to understand each concept as they are all key to "effective research" (Cohen et al 2001, p105).

Reliability – this is considered to be "an essential synonym for consistency and replicability" (Cohen et al 2001, p117). It is therefore difficult to conclude that having used semi-structured interviews to create my case studies that I will be able to achieve reliability. However, Coleman and Briggs (2003) do not see this as a problem as limiting the scope for reliability may in fact enhance validity. It may therefore be difficult to judge the outcome from my case studies as reliable in terms of replicability of outcome but as can be seen from my research strategy replicability was built into the design at every stage.

Validity – this is seen by Cohen et al (2001, p105) as a "matter of degree rather than an absolute state" and that discussions about validity must be carried out "within the research paradigm being used" (Cohen et al 2001, p106). Validity in my research is tested out through two different means. Firstly, through the analysis of the Ofsted reports into the four local authority inspections and secondly through the semi-structured interviews, where validity is judged on "the meaning that subjects give ... and inferences drawn" (Cohen et al 2001, p106) from their responses in the interviews.

As a chief officer as well as a researcher, I hope that I will bring "distinctive insights" (Cohen et al 2001, p302) into this interpretative research. However, I understand that my own personal beliefs and values could impact on any analysis or conclusions and as the final stage of the research project involves an analysis of the interviews using an analytical framework I am aware that the outcomes from the

interviews will be perception based and validity checks will need to be made. These include checking factual data by referring back to each council's formal reports and considering the conclusions reached from the Ofsted Inspection reports.

3.4.9 Research Questions Outcomes - Findings from the Analysis

The ninth and final stage of my research strategy was to sets out the findings from the research by drawing together all the information to address each research question. To do this I took the summaries from each question for each case study and again using the reflexive model described above analyse the information using a table. The information is arranged to show for each case study the key issues from the interview questions for each of the research questions. This enabled me to present a visualisation of the differences between the case studies followed by an analytical discussion for each research question. This ensured that I could formulate an initial conclusion or answer to each research question in order test out against the issues drawn from the literature review before I reach a final view on the responses to my research.

3.5 : CONCLUSION

This section has two parts. The first provides a brief summary of the timescale of the research and secondly sets out briefly the strengths and limitations of my research design.

3.5.1 Timescale for the Research

The work on the initial research design was started in the autumn 2002 and was refined during the period 2003 to 2005. In the summer of 2005 I undertook a pilot interview. The actual fieldwork was started in the autumn of 2005 and completed in summer of 2006. However, further research in 2008 and 2009, as set out in Chapter 2, led to the inclusion of more recent literature that enable the findings and conclusions set out in Chapter 5 to be tested against current research.

3.5.2 Reflection on the Strengths and Weaknesses of My Research Strategy

I believe that the research design chosen to consider the four research questions appears to be appropriate. It includes an element of documentary analysis and a significant amount of fieldwork using semi-structured interviews to create four case studies. The literature review and further analysis focused on issues and theories arising from a study of the period from 1944 right up to the present day leading to a reflection on the development and implementation of government policies. The choice of local authorities selected for the fieldwork resulted from data analysis and the development of an effective analytical framework. The interviewees had either been involved in the decision making, had first hand experience of the impact of the new arrangements or had been involved in monitoring local authority performance.

As a chief officer, this research has particular relevance to me in my professional work. It will enable me to be better informed about the changes in structure and functions of a local authority and the relevance of that change for my own authority. The outcomes will also be of interest to a wider audience including other chief officers and colleagues in local, regional and national government as issues relating

to performance of local authorities and will add to the knowledge of those researching in the field as the issues considered in the research are still a matter for debate as has been seen in the recent government interventions as a result of Ofsted's 2008 APAs of local authority children's services (DCSF 2008 [a], DCSF 2008 [b]). I have considered the many practical and philosophical issues relating to my research but it will only be through the completion of my field research and in analysing the data and reaching a conclusion in the final chapter of the thesis that I will be able to evaluate whether the research strategy was effective in enabling me to address my four research questions.

CHAPTER 4

INTERVIEWS AND CASE STUDIES

(Three Government Agencies and Four Local Authorities)

INTRODUCTION

This chapter comprises of three sections. The first provides a summary of the

responses to my four research questions and related interview questions from the

three people I interviewed from the government agencies: Ofsted, the Audit

Commission and the DfES. The second section sets out individual case studies for

each of the four local authorities selected for my research and the third section

provides an overall conclusion and an introduction to Chapter 5.

4.1 : RESPONSES FROM THREE GOVERNMENT AGENCIES

This section has five parts, one for each of the four research questions and a

conclusion. It provides some insight through the personal views of three interviewees

who held positions of responsibility within their government agencies. The

interviewees from Ofsted and the Audit Commission had been involved in the Ofsted

inspections of local authorities and the third interviewee, now retired, worked for the

School Effectiveness Unit in the DfES and was engaged in the monitoring of local

authorities before and after their Ofsted inspections. As explained in Chapter 3, I

hoped to gain through interviewing officials from these agencies an insight into what

the government might have been thinking in relation to the issues associated with

local authorities failing their inspections and why the use of the private sector was

considered.

For each part there is an introduction that sets out a brief outline of the focus for each interview questions (Appendix 3.2, 3.3) and an indication of the key themes that emerged from the interviewees. This is followed by a narrative of the issues raised by each of the interviewees and finally a brief summary statement. The responses, which are set out below, are the personal comments from the interviewees and do not necessarily reflect the views of their organisations.

4.1.1 Research Question One Why did the Conservative Government of the 1980s and 1990s and the current Labour Government promote the use of the private sector in delivering public services?

I wanted to explore why the government made the decision to engage with the private sector in authorities that were failing to deliver a satisfactory education service. In their responses the interviewees reflected on whether the decision was based on a political ideology or some other reason.

The Ofsted interviewee did not think the promotion of the private sector was based on a "philosophical" position, more of a "mind set" as in the first tranche of inspections so many local authorities were "in difficulty" that he thought the government needed to look for something new".

However, the Audit Commission interviewee felt that there was a political view that the private sector was better at delivering services but commented that in order to deliver them they "actually had to poach people out of the public sector". She felt

that it was often councillors who were the "problem" and that government felt that they had to be able to bypass the local politicians to make the necessary changes in service delivery.

The DfES interviewee did not think the use of the private sector was based on an "ideology" formed from a "theoretical perspective". He felt it was because ministers were being tough on failing schools and they needed to be "equally tough" on "failing authorities". He saw it as "a very pragmatic thing "and the failure needed to be "dealt with". Also, he stated there was no "recognised band of local authorities graded 1 [outstanding] to call on" and there was a feeling that there was a "crisis" in local authorities. He did however reflect an "agenda of public choice" was emerging and as there were some private sector organisations who were already working in the "market place" the government felt that they "should use their expertise".

Summary

There was agreement that there were major concerns as some local authorities were failing in their duties but there is no consensus about whether the response from government was based on a clearly thought through ideology or policy. It appears, however, that the use of the private sector was being actively considered as a way to improve local services.

4.1.2 Research Question Two Why did some LEAs actively seek partnerships with the private sector to deliver LEA services and functions?

I wanted to explore what were the perceived benefits of the private sector and why some LEAs might seek to actively engage them in delivering education services. All three interviewees identified the same two issues. The first related to the capability of staff and the second to the benefits they saw from using private sector business practices.

The interviewee from Ofsted felt that the private sector got their expertise from two sources. The first was by employing ex-local authority staff who understood the context and the second was the "accountability" the private sector brought with them. The private sector had a "professional approach" and "set targets" for improvement, which was not something local authorities did or if they did, "did not do well".

The poor quality of staff in some local authorities was seen as the problem by the Audit Commission interviewee. She felt the private sector was able to bring in more expertise and experienced staff, albeit from the "public sector", and that there was now a greater accountability built in through target setting as the private sector "needed to be seen to deliver".

The DfES interviewee suggested that the establishment of contracts with "performance indicators … was like, paying by results" and was useful in delivering improvements as it gave "a focus and accountability" that had not been there previously. He said some authorities had "got into difficulties" because of a "lack of capability" and they "could not attract, frankly, the standard or the capacity of people you needed to do it" and the private sector was able to use "people who were

recognised education experts".

Summary

All the interviewees noted that the majority of the staff employed by the private

sector in delivering services were ex-local authority employees but the targets the

private sector had to achieve resulted in an increased accountability. These two facts

together were seen to make the difference.

4.1.3 Research Question Three What effect has there been on performance of the

education services where local authorities engaged with the private sector?

In asking about the benefits of using the private sector, two of the interviewees noted

the impact of challenge and rigour brought about by an inspection regime and one

identified the impact of the lack of local political interference.

The Ofsted interviewee said "the proof of the benefits of using the private sector was

the fact that even after intervention the local authorities continued to contract with

the private sector". He thought that this not only provided "value for money" but

there were also more opportunities to "get the best people". He also felt that the

"external market challenged the internal market" and improved services. He felt very

strongly that the improvements have been made because of the "rigour of

inspection".

The Audit Commission interviewee felt that the greatest and sustained success came

when the local authority elected "to drive the contract" not resist it. The private

sector also reduced operational "interference" from local members, speeded up decision making and brought in new ways of working.

The inspection regime, according to the DfES interviewee, had the greatest impact across the whole of the education service as "in a sense the system improved itself against perhaps a new standard or set of benchmarks or set of expectations … it was a shock to the system … you had directors up and down the country who thought bloody hell"! Government intervention and use of the private sector meant that "local government revived or re-challenged itself".

Summary

The interviewees focused on the fact that it was the inspection regime that had had an overarching impact on all local authority performance by creating a system of national scrutiny that led to improvements. They all cited examples where the initial result of outsourcing was rapid progress as, by removing local councillors from decision making the private sector could act independently.

4.1.4 Research Question Four What has been the effect on governance and public accountability when functions of an LEA are delivered by the private sector?

I wanted to explore what changes the involvement of the private sector had had on the role of local authorities. The interviewees each raised three different points: a changing role for LEAs, modernising local government and reducing local democracy.

The Ofsted interviewee felt that the role of local authorities had been marginalised and was now one of "advocate" as "current policy was about pushing responsibility down to schools, providing them with a choice". He also felt that accountability had been improved as local authorities could now hold the service providers to account through the performance indicators and this brought more "rigour into the service".

The Audit Commission interviewee felt that the involvement of the private sector led to improvements in governance because in many instances the local authority was forced to implement a "quicker response to the requirement for modernising local government".

The DfES interviewee said that outsourcing gave the private sector company "freedom to act " and they "were licensed to be tough", but they quickly learnt that they needed to work in partnership with the elected members to have the greatest impact. He acknowledged that you "couldn't pretend that the interventions were democratically accountable, they weren't, they weren't designed to be democratic, except in a very wide sense to the taxpayer and the country as a whole … you could justify it on those grounds". However as a result of the intervention, local authorities "got a grip of themselves" and sometimes "the previous regime was swept out of power by democracy", which sustained the improvements that had been made.

Summary

All interviewees recognised that when the private sector was brought in as a result of intervention they were not democratically accountable to the local community.

However, they felt that the outcome of the intervention led to more effective local government. Benefits included embracing the modernisation agenda more quickly than authorities had planned by moving away from service committees and establishing a cabinet system and introducing more effective scrutiny.

4.1.5 Conclusion

This section considered the views of three government agencies. The three interviewees all agreed that the outcome from the Ofsted inspections found some local authorities to be failing in their duties but there was no real consensus about whether the response from government was based on a clearly thought through policy for change or a pragmatic solution to a significant problem. Although the majority of the staff employed by the private sector were ex-local authority employees the private sector introduced a way of working that involved setting targets and monitoring performance in a way that had not been the usual practice in local authorities. The private sector contract also meant that there was a greater level of accountability built into the system. There was a clear view that the inspection regime had had a significant impact on improving local authority performance as local authorities were being externally judged for the first time. However, one consequence of intervention and outsourcing was initially a loss of local democratic accountability.

The next section considers the experience of four local authorities before and after their Ofsted inspections.

4.2 : THE CASE STUDIES

This section has five parts. The first provides an introduction to the case studies and sets out the framework for each case study. The next four parts set out the individual case studies for each of the authorities used for my research. As explained in Chapter 3, case studies provide the views of "real people in real situations" (Cohen et al 2001, p181) and in the analysis of my research strategy I believed the use of case studies would help me to critically analyse the outcomes from my field work and enable comparisons to be made between these four local authorities. They were chosen by selecting an example from each of the categories set out in an analytical framework (Appendix 1.3) and included authorities where I knew I had personal contacts and ease of access.

4.2.1 An Introduction to the Framework for Each Case Study

Each case study has four segments, the first an introduction to the local authority, the second uses the information from each authority's Ofsted inspection reports to set out its local socio-economic and political context and to analyse the inspection judgements on the authority's education services. Ofsted's judgements were based on the local authority's pupil examination data, school inspection reports, Audit Commission reports, strategic documents, discussions with councillors, officers and stakeholders, and questionnaire responses from schools as well as visits to schools. The third segment considers the responses to the four research questions from the three people I interviewed in each of the four local authorities. As described in Chapter 3, all three interviewees were chosen because they would have been involved in the development and implementation of local policies. They were the

lead member for Education, the most senior officer responsible for education and a headteacher.

For each of the research questions there is an introduction which sets out a brief outline of the focus for my interview questions (Appendix 3.2) and an indication of the key themes that emerged from the interviewees. This is then followed by the responses from each of the interviewees in turn and finally a brief summary statement. In every case the responses relate to the local context and individual perceptions of the interviewees.

The fourth and final segment provides concluding remarks for the case study. It draws together the issues, including a summary from the Ofsted reports and the key issues from the responses to each of the research questions. This information provides the basis for the analysis of the research questions and discussion of the findings that follows in Chapter 5.

4.2.2 Case Study One – A Metropolitan Authority

Category 1: Unsatisfactory Ofsted Inspection – Intervention by Private Sector (Appendix 1.3)

4.2.2.1 Introduction

This case study is of a metropolitan authority that had three Ofsted inspections between 1999 and 2004. In 1999 and 2002 Ofsted judged the authority to be unsatisfactory and this resulted in the Secretary of State for Education deciding to intervene in the running of the authority. This led to the outsourcing of educational provision to a private sector company. The 2004 inspection judged the authority's services to be highly satisfactory.

This case study is of a failing authority where the long term use of the private sector led to improvements in services.

4.2.2.2 An analysis of the authority's Ofsted reports - local context and performance outcomes

This segment draws on information from the three Ofsted inspection reports. It briefly outlines the socio-economic and political contexts of this authority and sets out the inspection judgements on the authority's performance.

a) Socio-economic context

The authority serves a diverse area that includes urban, suburban and semi-rural communities with neighbourhoods where disadvantage is severe. In the 2002 report, Ofsted noted that 45% of the population lived in wards that were among the 10% most deprived in England and unemployment was above the national average. The 2004 report also noted that the population had declined in the previous ten years.

b) Political context

In 1999, Ofsted stated that "for much of the 1990s political instability, evidenced in successive local administrations culminating … in the virtual paralysis on the decision-making process has handicapped practical action on education" resulting in an education service that was failing. However, the report did recognise that at the time of the inspection, the council had "decision making processes which are distinctly more constructive" but was "poorly placed to meet the present government's requirements…in relation to education".

Government ministers noted in May 2000 that not enough progress was being made by the authority so a decision was taken to establish a private sector strategic partnership for school improvement and some management functions. An external provider (the contractor) was commissioned in July 2001. However the 2002 inspection report, although it recognised the progress the contractor had made in improving services, stated that "poor … management of education remains a matter of serious concern". This led to a decision to out-source all the management functions of the authority.

By the time of the following inspection in October 2004, the council had adopted the new modernisation agenda and the local elections that year created a new administration with one party having overall control. Members were now seen to "provide highly satisfactory leadership" and effective working relationships between councillors, senior officers and the contractor were in place and there was a "new climate of trust within the authority".

c) Inspection conclusions on overall performance

The 1999 report stated that the "LEA has been able to contribute little to improvement in school performance in recent years" and was not adequately discharging its responsibilities. Although the report identified "some strengths" the list of its weaknesses was "formidable".

By the time of the 2002 inspection, there had been a restructuring of the education directorate, a complete change of senior staff and the contractor had taken on responsibility for school improvement, which Ofsted reported as leading to rapid progress being made and a rebuilding of relationships with schools. However, overall progress was still seen to be 'poor' and the inspectors felt that the LEA was still not being effective enough in raising standards in schools. Future progress was seen as being dependent upon the "extensive package of support that had been put in place by the contractor".

The outcome from the inspection in 2004 concluded that "the LEA was now highly satisfactory", that "good progress" had been made and in partnership with the contractor the majority of the LEA's education functions were now satisfactory or better. There was a common purpose amongst elected members, officers and schools and the progress made to date indicated that the LEA had "good capacity for further improvement". However, the report concluded that although improvements had been achieved progress was still not fast enough.

Summary

The local authority, serving an area of significant deprivation, had in the late 1990s no effective political or officer leadership or direction. The Secretary of State concluded that a radical solution was needed and set in place intervention measures that lead to the education services being delivered by a private sector company. The outcome from the inspection report in 2004 recognised that that the authority's performance had improved and that this was due to more effective working within the council and the impact of the intervention arrangements.

4.2.2.3 Responding to the research questions

This segment considers the responses to the four research questions from the three people from the authority who were interviewed for this case study. They were the lead councillor for education, the chief executive of the private sector contractor, who was previously a public sector chief education officer, and a headteacher.

Research Question One: Why did the Conservative Government of the 1980s and 1990s and the current Labour Government promote the use of the private sector in delivering public services?

I wanted to explore why the private sector had become involved in the running of this authority. I did this by asking the interviewees to consider what they thought were the key factors that led to the outcome of the 1999 Ofsted inspection and why the Secretary of State decided to intervene in the running of the authority and engage a private sector company. I was also interested in what they thought were the views

of others regarding the decision to outsource the education functions and engage with the private sector.

a) What were the key factors that led to the authority being judged by Ofsted as unsatisfactory?

The interviewees cited two reasons why they felt the authority was judged unsatisfactory; lack of political stability and poor management.

ai) Lack of Political Stability

The lead councillor for education, who had served on the Education Committee prior to the 1999 inspection, felt that the problem was due to the "instability of political arrangements". He blamed constant political changes within whichever individual party was in control, which led to a "lack of political leadership, confusion and intransigence".

A similar view was expressed by the chief executive of the company responsible for delivering the intervention contract. She said that the political interference was "quite unbelievable …elected members had not separated governance from management". She felt that corporately the whole council, members and officers, was "a mess" as it appeared that over the last 15 years it imploded in on itself. "Everybody was too busy watching their own back and infighting".

The headteacher felt that the period following the retirement, in the mid 1990s, of an extremely strong chief education officer, who he felt ran the education service

"despite Committee", coincided with a time when swings from one political party to another meant that "the direction was not there from the politicians".

aii) Poor management

The lead councillor said that the political instability lead to weak management and a "lack of prioritisation across different services, let alone within services".

The chief executive recalled from her previous knowledge of the authority that it had been once considered to be "leading the field" in school developments, but this was no longer the case.

The headteacher also spoke about the days when the authority "had a national reputation" but said that it "had slipped a lot". He felt the senior officers were "out classed and out gunned by the politicians" and suggested that the officers failed to provide a strategic overview or direction. He suggested this led to the authority into "significant financial difficulties" leading to "posts…left unfilled or worse people transferred from other parts of the council".

b) Views about the decision to outsource the services to the private sector

Their recollections of the views of others about outsourcing ranged from complete denial about the inspection judgements and being very angry about the concept of outsourcing to a recognition of the poor state of the authority and a need for change. The lead councillor said members at the time were unhappy about the decision to bring in the private sector. He recalled that when they got the result of the inspection

it came as a shock, "we were in a kind of denial, we just didn't know there was a better world out there". The Conservative members were in power at the time of the first Ofsted inspection and the lead councillor recalled that the then leadership group of the council saw intervention as "unnecessary and just a big stick approach from the Labour Government". He felt that they did not see it from a "politically ideological point of view" or as an opportunity to look at the private sector "as a way out" but "all we saw was Whitehall imposing something upon us."

The chief executive felt the input of the private sector was necessary. She thought that the decision to outsource was because the Secretary of State felt the authority needed a very different approach. "I have to be honest, it needed something very radical". She went on to say that the private sector was used because of a "combination of factors", particularly because the authority "went through a difficult period politically".

The headteacher stated that "there was no surprise when the LEA failed its Ofsted inspection" and that some of his colleagues said "well good" intimating that they felt the authority needed to improve things. However, he did not think that his colleagues appreciated some of the consequences of what might happen and that the local politicians thought they "could salvage it". He recalled a meeting with the DfES, where councillors "almost got on their knees and begged" that outsourcing should not happen. The headteacher stated that the decision in 2002, following the Ofsted report, to completely outsource "the whole thing" because sufficient progress had not been made was a very hard concept for him and his colleagues to grasp.

Summary

Although the authority was underperforming when compared with other authorities, the decision to introduce outsourcing came as a shock and no one really understood the implications for the authority. The councillors were in denial and opposed the decision to outsource the education services feeling it was an imposition. Ofsted judged the authority to be politically dysfunctional, with no strategic leadership and with poor educational outcomes, so perhaps it is not surprising that the government sought a radical solution. The implications and outcomes from the decision to engage a private sector company to deliver the educational services are considered in the responses to the following three research questions.

Research Question Two: Why did some LEAs actively seek partnerships with the private sector to deliver LEA services and functions?

Although the authority had no choice in the matter, I wanted to explore what the interviewees thought about the private sector's ability to deliver better services and to improve educational outcomes and if there were other benefits to be gained by working with the private sector.

a) The benefits of working with the private sector

The interviewees identified three main issues: change in working practices, the perceived approach by local authority staff and issues relating to decision making and monitoring performance.

ai) Changing Working Practices

The lead councillor felt that there is a difference between how a business and a council function and that there is definitely a "soft focus" in the way the council does business and outlined an example in tendering for work where contractors believed that a council had "un-limited resources" so could lever prices upwards. He also said that since the engagement of the private sector the council has "got a completely different way of doing things" they "have brought the business ethos with them" and the Council "had learned a lot".

A contract for the delivery of services that set out performance indicators and expected outcomes was seen by the chief executive as the fundamental difference. The contract enabled the authority to monitor the company's performance and to hold it to account. This in turn led to a clear distinction between policy development and management.

However, the headteacher noted more subtle changes. He remarked on the changing relationship between schools and the service provider and that "good relationships developed". He also felt that there were real benefits from the fact that the council still employed a Director of Education as he provided the "strategic leadership" with the company's Managing Director "delivering the services".

aii) The perceived approach taken by local authority staff

The lead councillor thought that the involvement of a private sector company would provide "access to very good people" as they would have a large workforce to draw

from. They would have experience of good practice elsewhere, which could "benefit

this authority". He felt that the private sector company expected that "people worked

hard and did a good job" and that staff were more motivated as there were more

opportunities for staff to develop within the company. He also felt that the ethos of

local councils attracted "a particular type of person". There was a perception that

council work was "fairly mundane and not at the cutting edge, thereby not attracting

the highest calibre and motivated people". A private sector company, he thought

"would attract good dynamic, hard working and ambitious people" and they could

make decisions more quickly.

The chief executive felt that at that time following the 1999 inspection the reputation

of the authority was such that she did not think that the council would have attracted

particularly good people, "it's not a question just of changing the leadership. It's so

> much more fundamental than that … you need those change
> management processes and most radically we needed something
> that would make a clear distinction between policy, vision and
> direction and delivery".

The headteacher's comments focused on the "very novel experience … right from

the start", of being involved in staffing appointments and being asked for their views.

He cited other changes including the establishment of focus groups and the feeling

that you were part of an organisation and could "own what was going on".

**aiii) The differences in decision making and how performance is monitored
internally**
The lead councillor felt that the private sector has "taught us to monitor education

services… before that we were just providing the data". He explained how he now

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regularly meets with the council's Director of Education and the Managing Director of the company to review progress. He summed up the difference for him between a local authority approach and working with the private sector saying there was "definitely a sort of social care softer side that permeates the way a council does business" but he felt to be effective a council needs "a corporate business partner to bring a business ethos, where there are clear systems and processes and a focus on outcomes".

The chief executive concurred that they now had the "ability to respond quickly and flexibly" and to "deliver outcomes faster". She also stated that she had "never been so accountable" in her life. The company could also be more "entrepreneurial in looking for opportunities" and when commissioning services "could be very clear on what we wanted".

The headteacher said that it had become difficult to see which were council and which were contractor decisions. He also reflected on the positive impact the Contract Board had not only on performance management and decision making but also on relationships.

Summary

All the interviewees saw a more efficient approach following intervention of the private sector and that the appointed company had shifted the focus on performance monitoring from being solely about data to being more outcome focused. The speed of decision making and the frequent communication with the headteachers was seen

as a real strength. The monitoring of the performance of the contract had been standardised and was more rigorous. All agreed that the relationships within the authority and with schools had improved as had the quality of staff.

Research Question Three: What effect has there been on the performance of education services where local authorities engaged with the private sector?

In asking this question I wanted to consider what improvements had been made to the overall effectiveness of the authority and schools.

a) Improving overall effectiveness

Two issues were raised: improvement in the authority's performance monitoring systems and improvements in educational performance, but the interviewees reflected that there was still much to do.

ai) Performance Monitoring

The lead councillor said the contractor had been "particularly good at understanding the spirit of the contract as well as the legal requirements". He felt that by establishing a contract the council had a more effective infrastructure in place to monitor academic performance.

The chief executive felt very positive about having clear performance outcomes even though they had stretched her and "taken me out of my comfort zone" and having a

Contract Board that not only considered the targets but also looked at issues such as culture change.

The headteacher said that the system of monitoring and the involvement of headteachers had been very positive and had led to improved relationships with the authority. He cited the fact that recycling any financial penalties if the company did not deliver the targets into "the pot" was seen as a "good gesture" by colleagues.

aii) Impact on overall education effectiveness

Although overall education performance, as judged by Ofsted in 2004, had improved there were still areas of concern regarding pupil attainment. The lead councillor said that achieving above average performance is a "real challenge"…and they are "not doing as well as they might". He acknowledged that they "should be seeing bottom line increases in academic performance and now I think we will start haggling more".

Concerns about overall performance were recognised by the chief executive, and she explained how she used what she called "sticking plaster" approaches to demonstrate that there was capacity in the system to make improvements. She gave the example of pump priming support for Year 6 pupils to show that they could enhance their performance, but she knew that improvements needed to be sustained.

The headteacher acknowledged that some improvement in performance had been achieved but expressed some concerns about the contract as it "can narrow your

perception on what needs to be provided". He said that because of the focus was on improving educational attainment there was little curriculum development, "if it ain't literacy and numeracy there isn't a lot happening".

Summary

It is possible to conclude that all the interviewees believe that the introduction of contract monitoring has introduced a more business-like approach, which has made significant improvements to aspects of the delivery of services. However, the curriculum appears to have narrowed and progress on educational attainment still needs to be improved.

Research Question Four: What has been the effect on governance and public accountability when functions of an LEA are delivered by the private sector?

I wanted to explore the impact the private sector company had had on the authority in terms of its roles, responsibilities and democratic accountability, and to consider what effect using the private sector might have on future decisions about the delivery of educational services.

a) Impact on roles and responsibilities

The interviewees noted an improved clarity of the role between the elected members and senior officers and improved relationships.

The lead councillor felt very strongly that that once the council had established "some sort of political direction" it was then "down to the contractor to deliver". However, he also recognised that in some instances there had been a "blurring of lines with regard to responsibility" that had caused some concerns particularly around building matters. He felt part of the role of the Chief Education Officer was able to provide the link to other council departments to "prod them" to make sure they are delivering their services in support of schools.

In terms of democratic accountability, he did not feel that there had been any diminution as it was "down to the elected members to make sure that wherever the services are being procured from they are efficient and effective, that's our job". He did not think it "matters to the public what goes on behind us, what they see is the elected council saying what they are going to deliver".

The chief executive felt that the biggest strength was the "separation of policy from management" that allowed for a "true commissioning relationship". Relationships, she thought, were "more appropriate and professional" being based on a business rather than a social relationship with everyone knowing what their responsibilities were.

The headteacher was very positive about relationships and what he felt was increased accountability through the monitoring structures. He concluded that now issues about the services "could be regarded as having not just a political stamp of approval

but a wide community approval because of the range of stakeholders" involved at the monitoring meetings.

b) The effect using the private sector to deliver services might have on future decisions about the delivery of the educational services

The interviewees recognised that not only had the authority changed but the context in which local authorities operate had also changed.

The lead councillor said that once the contract ended he would still want to continue to use the private sector for "some things" but he felt that the private sector approach was not appropriate for all services and cited services such as fostering which, he felt it would not work because of the sensitive nature of the service.

The chief executive believed that having a contract for delivering services was the future as it would ensure that it freed "the Director of Children's Services…to look at the vision, to look at the whole picture and to look at commissioning".

The general view of the headteacher was that his initial concerns about the private sector "were now replaced by fear of reverting to the local authority delivering services". He had seen the benefits and did not want to lose them but recognised that the "picture of services" had changed since the contract began and that there was now a need to review.

Summary

It appears that that there was now clarity about the role and responsibility of elected

members and officers and the relationship between them. The contractual arrangements with a private sector company to deliver educational services had not led to a loss of democratic accountability and members were now making decisions about strategy.

4.2.2.4 Conclusion

The Ofsted reports provided an independent external view of the context of this local authority over a period of five years from 1999 until 2004, and in hindsight the lead councillor recognised that the local authority had been accurately described as poorly functioning. The local councillors were initially in denial about the designation of being a failing authority and tried to resist the subsequent intervention arrangements. However, the use of the private sector to deliver some educational services has from all accounts been positive on a number of fronts, including the clarification of roles and responsibilities for members without apparently losing democratic accountability and the establishment of a more efficient and effective infrastructure.

4.2.3 Case Study Two – A Large Metropolitan City

Category 2: Unsatisfactory Ofsted Inspection - Intervention through Peer Support (Appendix 1.3)

4.2.3.1 Introduction

This case study is of a large metropolitan city authority that had three Ofsted

inspections between 1999 and 2003. In 1999 Ofsted judged this authority to be poor

and the government was so concerned about its performance that initially a private

sector consultancy firm was appointed to work in the authority and another local

authority engaged to provide peer support. The authority responded quickly to the

Ofsted report and such rapid progress was made in the first six months following the

inspection that its re-inspection was delayed. The 2000 inspection confirmed this

progress and as a result the Secretary of State decided she would not to require the

authority to continue to use the private sector.

The local authority continued to provide its own education services and at the 2003

inspection Ofsted found that the authority had become effective and its performance

was judged to be "often good or very good".

This case study is of an authority that improved its inspection judgements without the

long term intervention of the private sector.

**4.2.3.2 An analysis of the authority's Ofsted reports - local context and
performance outcomes**

This segment draws on information from the three Ofsted inspection reports. It

briefly outlines the local socio-economic and political contexts of this authority and

sets out the judgements on the authority's performance recorded in the three Ofsted inspections.

a) Socio-economic context

The authority serves a large metropolitan city that in 1999 had the highest concentration of deprivation in England. Reductions in population in the 1990s were more marked than in any other city in England and although there had been a significant increase in regeneration funding, unemployment remained high and a relatively low proportion of students remained in education after the age of 16. Ofsted reported in 1999 that "many children … face problems of poor nutrition, indifferent health, lack of support for study and limited expectations of employment".

b) Political context

In 1999, political leadership within the local authority was seen by Ofsted as weak. The local authority had been under Labour control for many years but in the 1998 elections control passed to the Liberal Democrats. The Ofsted report was highly critical of the decisions taken by elected members on levels of funding and "their reluctance to take some hard decisions firmly or quickly enough". The report concluded that "a history of inadequate support from members, alongside inconsistent and, in some cases, inadequate planning, delivery and management of services, all raised doubts that, without extensive improvement, the LEA can meet its targets. Schools generally share this lack of confidence".

However by the time of the next inspection in 2000, Ofsted were able to report that the "majority party fully accepts the weaknesses highlighted in the previous Ofsted report and is strongly committed to rapid improvements". Between the two inspections of 1999 and 2000 the council increased resources to education. It modernised its committee structures, appointed a new chief executive and a new director of education. In 2002 Ofsted concluded that the council was working to an extensive recovery plan and by 2003 there was "a clear and effective process of decision making at corporate level" and "elected members demonstrate a high level of commitment and have given strong leadership".

c) Inspection conclusions on overall performance

Although it was not planned to be one of the first local authorities to be inspected, the Secretary of State and Her Majesty's Chief Inspector exercised statutory powers (DfEE 1996) to bring forward the scheduled date of the inspection of this authority because of concerns about the authority's overall performance. An initial review was carried out in January 1999 which confirmed that standards were not satisfactory and the second stage of the inspection took place in March 1999. The published report stated that the local authority was found to be failing in its key tasks and not enough attention had been given to "supporting schools in raising standards". However, in December 2000 the LEA was re-inspected and Ofsted concluded that although "much remains to be done …very considerable progress" had been made, that the rate of change and improvement had been rapid and that it was sustainable. A further inspection took place in 2003 and this time Ofsted concluded that the "LEA is now effective and performance is often good or very good". Some functions were

"particularly effective" and "there are no major weaknesses". The authority was now, judged by Ofsted to be "an improving … LEA" with good "capacity to carry out the recommendations" in its report.

Summary

The local authority serving an area of significant deprivation and having had a poor Ofsted Inspection in 1999 persuaded the Secretary of State that sufficient progress could be made by the new political leadership together with significant internal changes without using the private sector. The subsequent inspections that took place in 2000 and 2003 showed that good and rapid progress had been made and in fact by 2003 the Ofsted report stated there were now no major weaknesses.

4.2.3.3 Responding to the research questions

This segment considers the responses to the four research questions from the three people from the authority who were interviewed for this case study. They were the lead councillor for education, the acting director of education, who was temporarily replacing the Director who was now acting Chief Executive, and a headteacher.

Research Question One: Why did the Conservative Government of the 1980s and 1990s and the current Labour Government promote the use of the private sector in delivering public services?

I wanted to understand in this case of a failing authority why the government decided, after only short period of involvement of private sector consultants, not to

engage the private sector in delivering the authority's educational services. I did this by asking the interviewees to consider what they thought were the key factors that led to the outcome of the 1999 Ofsted Inspection and why, following a further inspection in 2000, the Secretary of State decided not to engage the private sector to deliver the education services. I was also interested in what the interviewees thought were the views of others regarding the decision to allow the authority to be responsible for delivering the required improvements to the education services.

a) What were the key factors that lead to the authority being judged by Ofsted as unsatisfactory?

The three interviewees cited four main reasons why they thought the authority was judged unsatisfactory: lack of strategic leadership and management, poor school performance, lack of funding and poor relationships with schools.

ai) Lack of strategic leadership and management

The lead councillor, who at the time leading up to the first inspection in 1999 was the opposition spokesperson for education, felt that before the political leadership changed in 1998 the whole council was "an incredible mess". He said, "I don't think people have any conception of the depth of the mess we inherited" and cited the lack of progress in dealing with issues such as surplus places and decisions on youth service provision. He also said that the authority was "very insular", there was little concept about what other authorities were doing or how well this authority was doing in comparison.

The acting director also referred to the fact that there were a high number of surplus places and said that the authority was not "dealing with things like that". She also felt that schools had concerns about officer leadership and she knew that some hoped the inspection would "create some movement at senior level".

The headteacher said that the politicians "were quite prepared to listen to the tale as told" by senior officers. He said that the association of primary headteachers passed a "vote of no confidence" in the ability of the authority to support schools properly in their financial management and that the local authority "did not have a clue" what was going on in its schools. He laid the blame in the "upper tier" and said "that there was a distinct lack of ability", a "disjointedness" about the service and no "shared vision" for education.

aii) Poor school performance

The lead member knew that the overall poor performance led to Ofsted's judgement and reflected that the previous administration had let down an "entire generation of children".

The acting director said that schools' results were well below national averages and "the number of schools that we had in special measures was a big factor".

The headteacher, although acknowledging the position regarding schools standards, said "the sad thing is, whether a school did well or did badly or moderately well, the local authority was virtually in no position to predict the outcomes".

aiii) Lack of funding

The lead councillor said that the Liberal Democrats, when in opposition had identified the need to spend more on education and when they came into power they inherited the Labour budget which was set at £3 million under Standard Spending Assessment (SSA). However "the following year we were up to SSA spend".

The acting director stated that a "great bone of contention" was the fact that spending on "education was below SSA". She said "there'd really been very little capital investment in school buildings; they were in a very very bad state".

Surprisingly, the headteacher did not raise concerns about a lack of funding for schools.

aiv) Poor relationships between schools and the local authority

The lead councillor said that he believed that the schools had "been let down serially year in and year out" and that when the 1999 inspection came he was not surprised that some headteachers made it obvious they were dissatisfied with the authority.

The acting director also recognised that schools were dissatisfied with the local authority and thought this was the "clincher really" for the authority being judged as ineffective. She identified a number of reasons, including a frustration about the lack of decision making but also that in the late 1990s "a complacency … by some schools" was being challenged by some local authority staff which she said was "not welcomed".

The headteacher said that schools became increasingly dissatisfied in general with the service that the authority was providing but also in the tone and relationship with schools.

b) What factors led to the decision by the Secretary of State not to outsource

Four issues were identified: the acceptance of the outcome from the inspection; a perception that the local MP had helped to influence ministers; a collective commitment to self improvement and the speed in which the local authority made changes and achieved the targets set by the private sector consultants engaged by the government.

bi) Accepting the inspection outcome

The lead councillor said that the new Liberal Democrat administration took the position of accepting all the criticism and they wanted to make a very clear statement to the Secretary of State that they were not "in denial" and wanted "to turn it [the authority] round". He said we were quite clear this was a genuine opportunity to bring about "radical change" and he wrote to the Chief Inspector saying that the authority would "offer … every cooperation". He did not think this was the reaction the Chief Inspector expected but he felt it gave him "a lot of leverage and politicians like leverage".

The acting director also felt that the LEA had "played it right…we didn't try and complain about the Ofsted report, which other authorities had done". There was a "strong political line" from the new Liberal Democrat administration "that wanted to turn the city round" and so they "accepted the criticism". She recognised that the

message from the authority of wanting to work with the government was quite a different attitude from other authorities.

The headteacher said "there was nothing to argue about, things had not been going right for a while".

bii) Relationships and influence

The lead councillor thought that "timing was part of it" and that "the Government wanted to try out a number of options" and "we got a particular option which perhaps was favourable". He also recalled the local MP was "quite friendly" with the Schools' Minister and "basically…put a word in for us and said why don't we give them the chance". The lead councillor acknowledged that this would have been a difficult decision for the government to take but some officers from the government were prepared to give the local authority "the benefit of the doubt".

Neither the acting director nor the headteacher made reference to the possibility of others influencing government thinking on the type of approach that should be taken in relation to this authority's improvement plan.

biii) Collective commitment

The lead councillor said that things "were coming together…we'd got people signed up … and people were now prepared to give us the benefit of the doubt".

The acting director reflected on the strong political drive that, "the politicians were absolutely clear" about making changes.

The headteacher said that once the outcome from the inspection was apparent and because the heads felt they had put a "significant investment" into the development of the authority there was "a clear drive to work together".

biv) The speed of progress achieved in the first six months

The lead councillor said "we made significant progress in that six months, so much so that when they [the consultants] came back they changed their verdict". As a result they reported to the government that the authority should be given another year to see if it could turn it round completely, and the lead councillor said "we did".

The acting director said the authority was "not prepared to sit there waiting to be outsourced". She said that the contract they negotiated with the government stated that if sufficient progress was made then "outsourcing won't happen". She felt the approach was just to get on and get things changed. The contract set out a series of milestones to be achieved and they knew that at any point the government could "pull the plug".

The headteacher also identified the speed of changes in senior management and appreciated the fact that the authority seconded some headteachers to work in the authority on some of the key priorities areas.

c) Views about the decision to allow the authority to be responsible for delivering the required improvements in education services.

The views expressed included a political commitment to implement change and despite some concerns about the capacity of the authority to deliver the changes there was a greater concern about the private sector being involved in delivering services.

The lead councillor said that there was a strong political will to make the changes but he thought the headteachers were "very sceptical" about the authority's ability to bring about change and some did want to see things privatised. He said he could understand why.

The acting director reflected that the politicians were absolutely clear about what they wanted and gave a very strong lead that things had to improve. She felt headteachers also "wanted change but they didn't want outsourcing" especially as the authority was "not good at accepting outsiders".

The headteacher said that although some schools saw the opportunity "to knife some people, to put it bluntly", the primary school headteachers' association collectively stated that they did not want the authority to go down the privatised route although some headteachers were very sceptical of the ability of the local authority to turn things round.

Summary

It was accepted that the authority had not performed well and in similar cases the Secretary of State required the provision of the education services to be delivered by a private sector company. Although consultants were brought in for the first six months following the inspection and there was additional peer support, the authority was able to convince the government that they could make the necessary improvements. The interviewees believed this was because the authority accepted the outcome from the inspection; that perhaps there was some political influence; there was a passionate commitment from all stakeholders and the speed with which actions were taken and progress made.

Research Question Two: Why did some LEAs actively seek partnerships with the private sector to deliver LEA services and functions?

I wanted to understand what the interviewees thought about outsourcing services to the private sector and what actions the authority took to ensure that the rate of progress was such that the consultants, who had been asked to support the authority in developing and achieving its initial targets, were not asked to continue following their report to the DfES in December 1999.

a) Views on outsourcing

There were very mixed views from the interviewees about the concept of outsourcing from no real concerns to being cautious about the benefits to outright hostility.

The lead councillor said he had no "ideological problem" with outsourcing and considered it to be a question of who was the "best provider". He did feel strongly that there were certain functions, which ideally are better "performed in house" including school effectiveness, educational welfare and admissions. His main concern was how as lead member he could fulfil his responsibilities. He said he had spoken to a colleague who was a "bit vague about that" and told him you "get reports…there is an accountability and there's penalties", but he did not think this was satisfactory. However, he was aware that some headteachers "were proactive in wanting to see it all privatised".

The acting director said around the time of the inspection the authority was looking at joint venturing for some back office functions but said it was "not like outsourcing". She said the "politicians were not really against anything but they "wanted to choose" they did not want "to be told to outsource" but she thought the consultants brought in by the government had an "agenda to outsource".

The headteacher said that there was not a "general will or desire to outsource". He said, he and his colleagues thought there was "enough capacity in the system if properly directed and deployed" and he did not think there needed to be "another choice". He also admitted that if services had been outsourced that he would not have wanted to work with the company. He said he was prepared to work to develop the authority but would not "work to develop a private enterprise". If the private sector had come in they "would have been shot at from the foothills".

b) The actions taken to achieve the significant rate of progress

The interviewees identified two issues that had a major influence in enabling the authority to make rapid progress. The first related to staffing and restructuring services and the second to changes to the office accommodation and mode of working that impacted significantly on the culture of the organisation.

bi) Changes in staffing and services

The lead councillor said that in the years leading up to the inspection the image of the authority had "been so poor" that it was difficult to recruit "decent quality officers" and as a result of the inspection some significant staff changes had to take place.

The acting director recalled that many staff left and services including school effectiveness, special education needs and education welfare were restructured. New ways of working were also brought in including more effective use of data to review performance across all services and for use with schools.

The headteacher saw the positive impact of seconding headteachers to work with the consultants as it was an outward sign that "the authority really did want to work in partnership with schools" and that newly designed services would be seen by other heads as meeting their needs.

bii) Changes in accommodation and culture

The lead councillor spoke about the impact of a change in office accommodation and a move to "open plan … with better facilities" and how this created a new culture eliminating the "meetings culture".

The acting director said the changes in the environment, the new accommodation and facilities for staff working in an open plan office helped to improve communication and access to senior staff. She reflected that all these changes and the fact that they happened so quickly although it created challenges it also brought about cultural change. An extra £2m had also helped to bring about the changes. It was the speed of change which the she felt set the tone and staff realised that "we meant business" and those that stayed "rallied to it, they were fantastic".

The headteacher said he was one of the heads seconded to work on developing a new education welfare service. He said the consultants were "quite disparaging" about the service and came in "wanting to outsource it" and so purposefully set "unrealistic targets". He also felt that accommodation had supported "silo working" with everyone seeing "a different sky" and that the new accommodation had helped staff work together.

Summary

Although the lead councillor was not against outsourcing he, like the other interviewees, did not feel it was the solution for their authority and the threat of it appeared to galvanise everyone to action. The authority made significant changes to

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staffing, office accommodation and ways of working with schools. Their determined

approach showed everyone, including the government, that 'they meant business'.

Research Question Three: What effect has there been on the performance of

education services where local authorities engaged with the private sector?

I wanted to look at how performance was monitored and what impact the authority

was able to make on the overall performance of the authority through continuing to

be responsible for delivering the services themselves.

a) How performance was monitored

All three interviewees explained how performance monitoring systems were

improved.

The lead councillor explained that following the inspection an independent review

board was established involving the DfES, external stakeholders and councillors. The

review board had a monitoring brief and reported back to government. He thought it

was "very useful getting an outside view … on … how they perceived things were".

He explained that this group continued to meet even after the consultants left as it

provided useful information and when headteachers were invited to join the group it

helped to reduce the gulf that had been created between the local authority and the

schools. He also said that the performance management developed by the

consultants was very beneficial, "I had some criticisms of [the consultants] but

actually they gave us … a good accountability framework".

The acting director reflected on the role the consultants played in suggesting that an independent review board be established that reported back to the Secretary of State on a monthly basis. She explained no headteachers were included at this early stage "as the consultants saw the heads as part of the problem". The board introduced a very strong performance management "culture" which helped the authority ensure progress was made.

The headteacher said he thought the role of the board was to challenge the authority and he got concerned when councillors chaired it as it "started to get boring and to challenge schools". As a result he said headteachers withdrew from the board but when a scrutiny process was introduced they became involved again. However, he did think that the mechanisms introduced for measuring performance did work as they were able "to demonstrate that progress was being made".

b) Impact on performance

All three interviewees commented on the significant progress that the authority made.

The lead councillor said that at the start of the 2000 inspection the inspectors asked him how he knew the authority had made progress and he said that they had reached "all the milestones". He also said the fact that the headteachers were positive in their feedback and thought the progress was "sustainable" was very helpful. The lead

councillor recalled that the inspection report in 2000 still did not think the authority had improved quickly even though he exclaimed we "went from a 7 [unsatisfactory] to a 3 [satisfactory] in fifteen months" but by 2003 more progress had been made and the capacity for change was good.

The acting director said real impact came from a focus on school effectiveness, with a more challenging relationship with schools and "being much clearer in what we expected". She said they did a lot of work to raise aspiration with the aim of "leapfrogging other authorities". She said "results were going up fast"…" a special needs strategy was put in place", difficult decisions were made and "some schools were closed". She recalled the consultants in November 1999 saying "that a private sector partner coming in would have done no more than we had done … there was some doubt we could maintain the speed of progress".

The headteacher said schools were now "generally better and smarter … more critical of their own performance and know more about themselves". He thought that the school effectiveness service had also changed its focus and was much "more connected to its schools". He said that he thought the authority had "revisited its own brief" and realised that they "had a role to play in ensuring schools achieved good outcomes for children" and needed to be "proactive rather than reactive or prescriptive".

Summary

The consultants had provided an effective performance management framework which was continued to be used enabling the authority to better monitor performance. The authority made exceptional progress in the first six months following the 1999 inspection and sustained that through to the next inspection in September 2000. According to the Ofsted report, by the time of the 2003 inspection the strategic leadership and management of the authority was seen as real strength although school performance still needed to improve. The view taken by government in 1999, substantiated by the inspections in 2000 and 2003 proved that the authority, as the lead councillor recalled, had "turned itself round" and overall had made significant improvements.

Research Question Four: What has been the effect on governance and public accountability when functions of an LEA are delivered by the private sector?

I wanted to find out what had changed in the authority and what the interviewees felt about the future.

a) What has changed?

The three interviewees identified a number of positive changes but some tensions. The lead councillor said the appointment of good staff had been critically important as well as the political leadership being "on the ball" and "not fudging hard decisions". He also spoke about the improved relationship with schools and the authority has struck the right balance between things that are "appropriate to be

administered from here" [the authority] and those that "quite properly should be administered by the schools, because it's more effective." Conversely, he thought with regard to central government that "the balance has swung too far" between "things that are appropriate for central Government … and the things that are appropriate for local government to administer directly".

The acting director said "good people are now coming to work in the authority … there is more confidence now in what we are doing and what we are capable of". She also reflected on the strong political support for education and "performance management ethos".

The headteacher said he thought the authority had improved and "down-sized as much as it can without causing pain" but was now struggling to keep its position because of the reduction in grant funding". He also said that he thought because things were going well "data is getting better…school buildings have improved" but the politicians are now "a bit complacent". He spoke about the complexity introduced by the changes from central government in for example, expecting the officers to have two roles one as a School Improvement Partner and one in a role for the authority.

b) The future

All interviewees were feeling slightly pessimistic about the future.

The lead councillor started by saying that "I'm considering jacking it in". He described that out of a budget of over £300 million only just of £1 million was able to be spent on "our political priorities". He felt very strongly about the importance of "local determination and meeting local needs, identified by local democratically accountable people". He was very concerned that the new Education Act (DfES 2006) was "London centric" and was "designed to solve a number of problems … which frankly I don't want to solve". He was referring to the introduction of Trust Schools and felt the government was "tinkering with the structures". He also felt government was "taking powers away from local authorities" through, for example, the introduction of School Improvement Partners and that government had an "obsession with public bad, private good". Although he did acknowledge that for their authority it was "temporarily suspended", it had "paid dividends" but "I've always given the government credit for giving us that chance".

The acting director said that she thought the changes being introduced with the Children's Act (DfES 2004) would "change the balance" and that headteachers were "worried that our focus is moving away from them". She said it was something that "we will have to watch".

The headteacher said he was anxious about the future and the changes being considered about the implementation of the Children Act (DfES 2004). Although he thought that a "momentum" had been introduced by politicians that perhaps now "we've slipped back a bit" and the authority still has "a bit more progress to make".

He did not want things to stall "otherwise things will get a little worse…and then it's harder to climb back up".

Summary

All the interviewees felt that things had improved in terms of outcomes and relationships. The confidence shown in the authority by the government to effectively make the changes through their own means had had a huge positive impact. However, there was just the start of a view from some that things were beginning to 'unravel' and maybe the success had made politicians complacent. Concerns were also expressed about further centralisation from central government and policies such as the Children Act (DfES 2004) that would once again change the relationship between authorities and schools.

4.2.3.4 Conclusion

This local authority, serving an area of significant deprivation, had a poor Ofsted Inspection in 1999 but persuaded the Secretary of State that after an initial contract with private sector consultants and additional peer support from another local authority that sufficient progress could be made by the local authority themselves. Subsequent inspections in 2000 and 2003 showed that good and rapid progress had been made and in fact by 2003 the Ofsted report stated there were now no major weaknesses. The interviewees believed this was because of the authority's approach, including a commitment from all stakeholders that the authority was capable of

making the improvements itself. They did not feel outsourcing was a solution for their authority and the threat of it appeared to galvanise everyone to action. Significant organisational changes were made including the adoption of a performance management framework that showed everyone including the government that 'they meant business'. However, since the last inspection in 2003 the imminent implementation of the Children Act (2004) led to concerns being expressed that the impact might shift the focus from school improvement. Although services had improved in terms of outcomes and relationships there was a feeling from some that things were beginning to 'unravel'.

4.2.4 Case Study Three – A Large Sparsely Populated Shire County

Category 3: Satisfactory Ofsted – Use of External Provider
(Appendix 1.3)

4.2.4.1 Introduction

This case study is of a large sparsely populated shire county that had Ofsted

inspections in 2000 and 2003. Prior to the 2000 inspection the authority was

planning to enter into a major contract with a private sector company for the

delivery of all its management services, including finance, property, IT and

personnel services. The contract guaranteed to delivery substantial savings. The

Ofsted inspection in 2000 judged the authority to be satisfactory but with

weaknesses in its support for school improvement. Ofsted recommended an early

re-inspection to "determine the appropriateness and effectiveness" of the

authority's "response to the recommendations". My research also revealed that

following the outcome of the 2000 inspection the authority was encouraged by the

DfES to review its provision of school improvement services. The authority

subsequently entered into a partnership arrangement for the delivery of those

services with a not-for-profit trust with any savings being used to enhance the

provision of education services within the authority. The outcome from the 2003

inspection judged school improvement services to be "highly satisfactory".

This case study is of an authority whose inspection judgements improved through

working in partnership with a not-for-profit trust to deliver its school improvements

services.

4.2.4.2 An analysis of the authority's Ofsted reports - local context and performance outcomes

This segment draws on information from the two Ofsted inspections reports. It briefly outlines the socio-economic and political contexts of this authority and sets out the judgements on the authority's performance recorded in the two Ofsted inspections.

a) Socio-economic context

The authority serves one of the largest and most sparsely populated counties in England. The commentary in the 2000 Ofsted inspection report noted that there were "some areas of deprivation, mostly associated with the large towns, and elsewhere the rural nature of the areas creates its own challenges". The 2003 report noted that although there was "relatively high employment there are areas of considerable social and economic disadvantage".

b) Political context

Politically the local authority had been for many years under Conservative control but in 1994 control passed to a coalition of Labour and Liberal Democrats. In 1997 control passed back to the Conservatives. In 2000 Ofsted noted that "officers and members work well together and demonstrate a purposeful resolve to support schools" and that members demonstrated an "increasingly focused leadership". However, in the period between the two inspections there was "considerable political turmoil, which led to the publication of a highly critical public interest report by the external auditor". The 2003 Ofsted report stated that "the situation has now stabilised" but reflected that the move to a modernised system of governance had

consumed a considerable amount of elected members' time and energy leading to a judgement that corporate decision making and leadership from elected members was unsatisfactory. Some headteachers felt decisions were now driven by "financial concerns rather than a passion for education".

c) Inspection conclusions on overall performance

The 2000 Ofsted inspection report found a number of strengths and stated that the authority "continues to lead other LEAs in promoting school autonomy …standards are generally in line with or above those of similar LEAs". However, "despite the overall success … the LEA has an unacceptably high proportion of schools with identified weaknesses and there is clear evidence of underachievement". The report concluded that "the LEA has the ability and capacity to address the weaknesses … but early re-inspection is recommended". The next inspection was in 2003 and Ofsted noted in the report that the decision by the authority to use two external providers for the delivery of management services and school improvement services "had contributed to the improvements made since the last inspection". "The overall effectiveness of the LEA has improved considerably" and standards were now judged to be in line with or above average nationally when compared with similar authorities.

Summary

The local authority serves one of the largest and most sparsely populated shire counties and apart from the election period between 1997 and 2001 has been under the control of one political party. Although the first inspection judgement was

satisfactory there were concerns about the underachievement of schools. Between the two inspections in 2000 and 2003 there was a great deal of political turmoil within the authority that contributed to the judgement on the quality of leadership from elected members changing from highly satisfactory in 2000 to unsatisfactory in 2003. However, the decision to engage external providers to deliver the school improvement services as well as management services was seen as a positive step by the inspectors when they returned in 2003.

4.2.4.3 Responding to the research questions

This segment considers the responses to the four research questions from the three people from the authority who were interviewed. They were the lead councillor for education, the director of education and a headteacher from a Grant Maintained school.

Research Question One: Why did the Conservative Government of the 1980s and 1990s and the current Labour Government promote the use of the private sector in delivering public services?

I wanted to explore what led to the decision to engage with an external partner to deliver school improvement services to schools and what were their views and their recollection of the views of others.

a) The decision to engage with a second external provider to deliver school improvement services to schools

It appears from the response from all interviewees that there was really only one main driver and that was the outcome of the Ofsted inspection in 2000.

The lead councillor, who was not in office at the time of the inspection in 2000, was aware that the previous lead councillor needed some persuading to go into a partnership with an external agency but he believed councillors needed to be "strategically bold" and look at "different ways of delivery" if they were to address the weaknesses identified by Ofsted.

The director was very clear that the poor inspection judgement "around the core business" of monitoring schools meant the authority was "within an inch of intervention". She said she was given the impression by the DfES advisers that if the authority had not chosen to engage an external partner to deliver school improvement services it would have been required to by the DfES. She knew the authority needed to make an "expediential change" because the inspectors were coming back in eighteen months and that if you tried to make the changes internally "it can take longer".

The headteacher was not surprised by the outcome of the inspection or the decision to engage with another provider. He said he thought the performance of the authority "had slipped" and that experience of the management services contract had helped the authority to see there were other ways of delivering services.

The interviewees were all very clear about the trigger to engage with an external partner to deliver school improvement services, the Ofsted inspection, and concluded it was the right decision.

b) What were the views of the elected members, officers and headteachers?

All the interviewees described the opportunities they saw from their own perspective.

The lead councillor was very clear that the authority needed to achieve value for money in delivery of its services but was concerned that working with any partner could get too cosy. He said the current relationship with the partner delivering the management services had become like an "old married couple". He felt that the authority needed to ensure it was not just delivering services in a different way but "in a better way".

The director thought schools were quite shocked by the decision taken by the local authority to engage with an external partner for school improvement services. She had to explain to the schools that "what we [the local authority] are doing at the minute isn't good enough … we've go to take it on the chin and look in a different way". She said that the large number of Grant Maintained Schools within the authority already contracted for services and they "thought it was a good way to work anyway".

The headteacher said he was quite happy with the authority's decision to engage with another partner to deliver the school improvement services. He said that some

schools were more entrepreneurial as they had already gone down the "Grant Maintained route". These schools "were inclined to think this was a good decision" but other headteachers were "suspicious and concerned about what it was going to mean". From his perspective he said whoever delivered the services "public or private" did not "matter in the least". He looked at "who was offering what, at what price".

All of the interviewees thought working in partnership with another organisation was a positive step as long as the services improved but there was an acknowledgment that there were concerns from some headteachers.

Research Question Two: Why did some LEAs actively seek partnerships with the private sector to deliver LEA services and functions?

I wanted to find out why it was thought that the partnership the local authority had established with a not-for-profit organisation could deliver better services than those delivered by the local authority and what benefits have been gained by forming that partnership.

a) Service and other benefits from a partnership with a not-for-profit organisation

The interviews all interpreted the benefits from their own particular perspective.

The lead councillor, who had been in local government for just over four years, said "local government is a drag" you have to go through so many "statutes …

procedures" before anyone can say "yes". He felt that you sometimes "have to think outside the box" and the partnership approaches taken by the authority to deliver management services and schools improvement services "was doing just that". He felt working in partnership with the private sector proves that "we can do it [provide services] more efficiently, more effectively and at a less cost than we do it ourselves" and having a contract meant that we can monitor things "far more closely". Also, he said companies often think they can "charge the authority more than the job actually costs" so, working through an external partner other suppliers think they are dealing with the private sector which reduces the "chance of being overcharged".

The director knew that "more of the same" would not have made the improvements needed. She said that the future role of local authorities was going to change anyway and that they would need to "work with different partners" to commission services. She convinced elected councillors it was the right decision as the authority needed to increase its "capacity" and the partnership achieved this by only "one new person" being employed. So, she thought it "was fascinating" that the school improvement grade went from a 7 (poor) to 2 (good) in three years and explained that the improvements were down to the external partners bringing in a "different way of working" including "quality assurance rigours". They also brought in "expertise", developed "new strategies" and had a "built in flexibility" so that changes could be made quickly to reflect changing needs or priorities. She concluded that if you have the same "fundamental philosophy" as the external partner, and "sit comfortably with each others values" then it is the right thing to do.

The headteacher "welcomed the freedom" to choose who provided the services to his school. He recognised that this may not be right for every school, especially small primary schools that might see it as "an additional burden". He thought that headteachers were "non ideological" and were more "money conscious" looking for value for money not necessarily who provided the service. He felt that increasing the involvement of the private sector has meant that "public service bodies … have responded" and are now "as competitive and switched on" to "satisfying client needs". He said that local authority officers "now accept it is a partnership … there to support" and it is about influencing schools rather than directing them.

Summary

All the interviewees felt that working with external partners brought benefits including greater efficiencies, better use of staff resources and for schools the freedom to choose who provided the services. It was felt that more of these types of arrangements of working with external partners would be set up as the role of local authorities changed in the future to become more of a commissioner of services. The relationship between schools and local authorities had already changed so perhaps commissioning rather than delivering services was a next logical step.

Research Question Three: What effect has there been on the performance of the education services where local authorities engaged with the private sector?

I wanted to explore how the performance of the partnership arrangement was

measured and if the quality of services to schools and school performance had improved.

a) How performance was monitored

Two areas were mentioned; the first related the school improvement contract and the other was how the performance process compared with the authority's other contract for management services.

ai) Target setting and monitoring the school improvement contract

At the time of the interview the lead councillor had been in the position for only a few months he had only had a "couple of meetings" with the provider of the school improvement services so felt unable to make a comment on the contract.

The director said that the local authority set "some aspirational targets" that included "every school a good school" and "no schools in special measures, no improvement notices". She recognised that they were not there yet. Other targets she felt "were more reasonable" because they were set on a "risk management" basis and "on reflection" she thought these were more appropriate.

The headteacher said that he was "not sure there is anything formalised in terms of quality assurance" for either contract.

aii) Comparing approaches to contract monitoring

The lead councillor said he needed more information about how things were going

with the management services in order "to look at its effectiveness".

The director reflected on the comparison between the two contracts. She felt that the

management services contract had far too many targets and said that "we get so

fussed about performance indicators that are irrelevant". She recognised that a

monitoring system was needed but one with "fewer performance indicators … but a

rigorous quality assurance system". The school improvement service was managed

through a partnership board and through scrutiny where performance was "rigorously

probed, not just through contract management" and getting feedback from schools

but also through bench marking against others.

The headteacher said that the contactor delivering the management services contract

did a "kind of regular evaluation sheet". However, the main concern he and

colleagues had was who would get the benefit from any savings from the contract.

He felt "that question had never been satisfactorily answered. When asked about the

school performance monitoring services he said he did not know "whether there were

any process for quality control" but that he just got "the general feeling" that they

"offered value for money". However he did say that he wished that "sometimes they

would just get on with it and stop asking questions".

b) Improving overall educational effectiveness

The lead councillor reflected more on the impact of the political turmoil that had

beset the council during the period between the two inspections but how relationships between members were gradually improving.

The director was very clear that improvements had been made, as reflected in the outcome of the 2003 inspection, but knew that performance improvements had to be sustainable.

The headteacher reflected more on the changing relationships with the local authority. He thought one great advantage was that the company delivering the school improvement service was "seen as a private firm from outside". He explained that the local authority used to try to "tell me what to do" and the school improvement company is "there to serve us what we want … they are more in tune, they don't try to interfere … we are not fighting with them".

Summary

All interviewees understood the need for and benefits of monitoring management. However, the lead councillor and the director were aware of the problem of setting too many targets and that you needed appropriate systems and processes to measure performance. The headteacher was not aware of any of the formal processes used by the local authority to measure the performance of either of the external contracts to deliver services. None of the interviewees reflected on the impact the contracts had had on school performance, either positive or negative, but the director was concerned about the sustainability of improvements to the overall performance of the authority.

Research Question Four: What has been the effect on governance and public

accountability when functions of an LEA are delivered by the private sector?

I wanted firstly to explore what impact the involvement of the private sector had had

on the roles and responsibilities of the local authority and if there been any impact on

democratic accountability and secondly about its influence on the future.

a) Roles and responsibilities

All three interviewees reflected that role of the local authority had changed but that

responsibilities were still the same.

The lead councillor was very clear that his main responsibility was to ensure value

for money and that the council needed rigorous monitoring systems to help them do

that. He reflected that although roles had changed and that local authorities no longer

had to be the provider of services there were still too much bureaucracy involved in

local government. He could not see that contracting with the private sector had any

impact on democratic accountability what mattered was that local authorities were

"seen to deliver value for money".

Although, the director saw that the role of the local authority changing to one of

commissioner of services she felt that the provision of local authority services by

other organisations should not be seen as "outsourcing" but as "real strategic

partnerships". She said that you should not be too "precious" about who delivers the

services "as long as you don't compromise each others values". Her responsibilities

had not changed but she felt that local authorities were now much "more accountable" than they had been in the past.

The headteacher was clear that although he recognised that the strategic responsibility of the local authority had not changed the fact that schools had more freedom to choose who delivered the services had fundamental changed the role of local authorities and in his view "for the better".

b) The issues for the future of local authority services

The interviewees' responses differed. The lead councillor considered the changing relationships within the local authority and with central government, whilst the director had concerns about the changes being brought about by the Children Act 2004 (DfES 2004) and the headteacher considered the struggles schools had in influencing central government policy.

The lead councillor spoke about future relationships within the authority and with national government. He saw that things had changed within the authority and that now there was more local political leadership and an "executive who is prepared to challenge", which he thought would now stand up to external scrutiny. However in relation to central government, he felt that "they have a great habit of moving the goal posts". This created uncertainty in the system resulting in a lack of strategic planning or councillors being "reluctant" to take "bold decisions".

The director said her job was to try to "paint a vision for the future" and she was worried about how the relationship with the school improvement organisation would work with the new approach to children's services as a result of the Children Act (DfES 2004). She said that if new ways of working were introduced the "relationship with the people" should not be lost or the contract seen as "outsourcing", they all needed to be part of the same team.

The headteacher expressed his frustration that central government still did not "get it" and wanted to be too "prescriptive" when introducing new initiatives. He felt that although local authorities may have tried to change, central government had not.

Summary

All of the interviewees spoke about changes in the role of the local authority but not in terms of responsibility or democratic accountability but through the involvement of other partners in delivering services. However, they all commented on the role of government in terms of either "moving the goal posts", implementing new responsibilities through the Children Act (DfES 2004) or being too prescriptive.

4.2.4.4 Conclusion

The local authority serves one of the largest and most sparsely populated shire counties. Between its two Ofsted inspections there was significant political turmoil that had an impact on the ability of the authority to take strategic decisions and resulted in an external public interest report being carried out by the Audit Commission. The first Ofsted inspection in 2000 found that too many schools were

underachieving and there appears to have been some persuasion from government to enter into a contract with an external organisation to deliver the school improvement services. The second inspection in 2003 judged school improvement services to be more successful and the externalisation of the service as a positive step. All the interviewees appeared to be comfortable working in partnership with an external organisation to deliver services as long as they were better not just different. Some schools were said to be concerned by the decision to externalise services but those from grant maintained schools welcomed the approach. Although there were clear processes for monitoring contracts there was some recognition about the need to set appropriate targets. There was no positive or negative view from any of the interviewees about the impact of the school improvement contract on school performance but the director was concerned about sustainability on the overall performance of the authority. What became clear was that the contract had led to improvements in the authority's relationship with schools. There was not seen to be any significant change in terms of responsibility or democratic accountability. The other notable issue identified by the interviewees was the role that central government played in determining issues for local government.

4.2.5 Case Study Four – A Large Shire County

Category 4: Good Ofsted Inspection – Voluntary Use of Private Sector
(Appendix 1.3)

4.2.5.1 Introduction

This fourth case study is of a large shire county that had Ofsted inspections in 1998

and 2003. In 1998 Ofsted judged this authority to have many strengths and relatively

few weaknesses and in 2003 there were no weaknesses at all. The government did

not require the local authority to review who provided its education services, but in

2004 the authority decided to enter into a public-private partnership for the delivery

of its education services. This resulted in setting up a seven year contract with a

private sector company in which the local authority had a 20 per cent share with a 30

per cent share of any profits. An education trust was established to use this profit to

support social inclusion and was targeted at children and young people from the

disadvantaged areas of the authority.

This case study is of a successful local authority who decided to engage with the

private sector to deliver its education services.

**4.2.5.2 An analysis of the authority's Ofsted reports - local context and
performance outcomes**

a) Socio-economic context

The authority serves a relatively affluent population in a large shire county which in

1998 had the highest mean average household income for any shire or unitary

authority in England and one of the lowest rates of unemployment in the United

Kingdom. Although it was noted that like most authorities there were pockets of

deprivation and "some sharp contrasts in the intakes to schools" there were few wards with levels of social deprivation that were high in the national context. There was little change in the socio-economic context between inspections and in 2003 the county had only one ward in the most disadvantaged 20 per cent nationally.

b) Political context

Prior to 1997 no party was in overall control but in the elections that year a council with a Liberal Democrat majority was elected. The Ofsted inspection in 1998 stated that the "priorities for education both under the previous administration and current administration are clear". However, concerns were beginning to emerge that the new council's drive to "encourage diversity in [school] provision might begin to undermine the partnership and trust" that had been built up between the local authority and the schools. The 2001 elections saw control pass to the Conservatives. The 2003 Ofsted report judged the elected members to be "well-informed" and that "a change in council direction and philosophy since the last inspection had released a high level of energy from senior managers, who have been empowered to move forward in developing high quality integrated solutions to problems". These included plans to change the provision for the school improvement service to being run by a public-private partnership. Ofsted noted this was being "welcomed cautiously by schools".

c) Inspection conclusions on overall performance

The 1998 Ofsted report stated that "there is much that (the) LEA does very well; it has many strengths and relatively few weaknesses". However, although the majority

of schools performed well there was a "wide variation between schools" but concluded the local authority has largely "been effective in supporting improvement but there is scope for development". The 2003 report stated that since the 1998 inspection there had been good progress in the quality of the local authority's support for school improvement and that it was a "creative and innovative" local authority. Ofsted reported that the LEA "has many strengths, no weaknesses and aims for excellence in all that it does" and concluded that it has "excellent capacity to improve further".

Summary

The local authority serves an area of relative affluence and although political power has changed over recent years it has continued to perform well, maintained good relationships with schools and improved on areas that were judged to be weaknesses.

4.2.5.3 Responding to the research questions

This segment considers the responses to the four research questions from the three people from the authority who were interviewed for this case study. They were the lead councillor for education, the director of education and a headteacher.

Research Question One: Why did the Conservative Government of the 1980s and 1990s and the current Labour Government promote the use of the private sector in delivering public services?

I wanted to explore the rationale for the local authority deciding to establish a public-private partnership agreement with a private sector company, who was the driving force and what were the views of the interviewees and others regarding the decision to establish this partnership agreement.

a) The rationale for establishing a public-private partnership agreement

The interviewees identified two main reasons: firstly, the changing environment in which local authorities were operating and secondly the retention of staff.

ai/ The changing environment

The lead councillor reflected on the changing national agenda and the shift that was taking place in local authorities and schools, which were increasingly engaging the private sector to deliver services through "small contracts". He thought the changing culture that was needed within the local authority, as a result of working with the private sector, was "very positive". The authority was now a purchaser of services and a "demanding customer" rather than an organisation with "colleagues". This he felt made the services more accountable.

However, the director was very concerned about the increasing involvement of private sector companies, which were "being put into local authorities to run services". This led him to want to review his authority, "not that it was not working" but there were also so many "things on the horizon" that if he did not begin to think about some "fundamental changes" the authority might "miss the boat". He felt "uneasy" about messages that he felt were coming from central government that

might be "thrust upon" local authorities. He wanted to try to be able to "shape the services" in his authority to suit its particular needs rather than "someone in Whitehall having a bright idea and being stuck with something that did not fit" their local authority.

The headteacher also recognised the changing environment created by some schools opting out of local authority control and becoming grant maintained. He said those that stayed with the authority did so for "philosophical and political" reasons, wanting to be part of an "education service for all families". However, he felt the culture within the local authority had changed and schools were becoming "more isolated" from each other and being "treated like corner shops" in competition with one another.

aii/ Retaining staff

The lead councillor reflected that a lot of "top quality staff" were being lost to the private sector and there was a great deal of competition as more private sector companies were looking to provide services for the public sector. He thought the private sector saw schools and local authorities as somewhere where they could not only "increase their market" but also "as a supplier of staff".

The director expressed concerns that the private sector were "aggressively recruiting staff" from local authorities but suggested that not all of the staff being recruited had the right expertise . He said "our people were better" but it was becoming

increasingly difficult to recruit staff and he felt "there ought to be a way of preventing staff from leaving".

The headteacher had worked for the authority for many years but he could see that some staff were being "poached" by the private sector. He felt this would inevitably lead to changing relationships between the local authority and its schools.

b) Who was the driving force?

All the interviewees were very clear that the decision was orchestrated by the director and supported politically.

The lead councillor said the director had written a paper that analysed the government's current agenda and what was happening in other local authorities. The authority's move to engage with the private sector was in "anticipation" of what they thought would be the impact of the national agenda. He believed that the government would want to establish "large contracts" for the delivery of education services by either the private sector or other "local authorities" with the capacity to do so. This made him, the director and other senior colleagues question what they needed to do to ensure the provision of services within their own local authority.

The director called his report a "futures paper" that set out how he thought the future might look and he felt he had "a lot of support" for his ideas. The paper had two main aims: the first to bring together children's social care and education into one directorate and the second to do "something creative with school support services".

He felt his proposal to enter into an arrangement with the private sector was actually "protectionist" ensuring that the authority was able to retain good staff and have a say in the delivery of support services to schools in his local authority.

The headteacher thought the reason was very much a political decision as the authority "wanted to be at the leading edge" of change. However he commented that not many headteachers were convinced it would make a difference to the quality of the education for children.

c) What did other people think?

Varying levels of concern were being expressed within the authority.

The lead councillor said that there was a "political divide, simply the idea of putting schools services out to a private sector partner was an issue" and some councillors "suddenly became very protective of the school in their division" and worried how small primary schools would cope if the "quality wasn't as good from the private sector". Other senior councillors said that this was the "right decision" as they were concerned about the authority's "ability to continue to deliver quality services" and they saw the expansion of competitors who could deliver services to their schools.

The director said that when the authority was exploring the concept of working with a private sector partner there were "obviously a lot of questions, a lot of unease" from councillors but he explained that eventually "the whole thing came through with full party support". However, he explained he had a "tougher job" with the

Conservative group, that formed the administration during the time of the negotiations, who started "to get cold feet and became born-again public sector champions" than he did with the other political parties. He described it as a "fascinating dynamic", and proved that there was "nothing political, or dogmatic or ideological" about the decision to engage with the private sector. It was mainly a "pragmatic decision" and one that sought to ensure quality and value for money.

The headteacher said that the secondary heads did not like the prospect of the local authority engaging a private sector company but admitted that was partly because secondary heads always reacted to change and said that "whatever the local authority proposed then the secondary heads will oppose it almost as a knee jerk reaction". The headteacher also said there was a great deal of "suspicion" about what the company would know about schools. He described the relationship with the local authority as a "comfortable pair of shoes" as everyone "knew and trusted the staff" and no one was sure what benefits that the engagement of a private sector company would bring. However, the heads were eventually "won over" by the fact that the partnership promised that the cost of the services would not increase for seven years.

Summary

The local authority's main concerns were fears about losing good staff and the anticipation of a changing national agenda leading to local authorities being taken over by private sector companies. The headteacher saw these changes as more of a desire by the local authority to remain at the forefront of change. Some councillors needed convincing that developing a contract with the private sector was the right

thing to do but not all schools were convinced that it would improve the educational provision for children.

Research Question Two: Why did some LEAs actively seek partnerships with the private sector to deliver LEA services and functions?

I wanted to find out what the authority thought were the issues and benefits from a partnership with the private sector.

a) The issues related to establishing a contact and educational trust

The interviewees identified issues relating to changed relationships, opportunities to continue delivering services and a concern about potential loss of focus.

The lead councillor described the establishment of the contract and having a share in the company as being as "a strange relationship because there were times when you had "both hats on at the same time … contractor and client". He rationalised by saying that "the bottom line" is still about delivering services to schools and "as long as we can assure ourselves that quality has been maintained then that's what matters".

The director said setting up an education trust was seen to be "very helpful in bringing in those who were less convinced" by the arrangements. He said he was adamant he did not want "any sort of traditional outsourcing … I wanted to explore different models" and was keen that "the council would still have a significant

ownership". He also thought there might come a time when the authority would not be in a position to "resource a full range of services and the only way to sustain the support to schools was to "grow the services and activities" by putting the services on a "different legal footing" so they could trade outside their boundaries.

The headteacher said the contract took a long time to negotiate, "it went on and on" and that this had had a detrimental impact on the local authority staff as they were "supposed to be focusing on the needs of schools not on whether their jobs were going to be there". He concluded that the local authority "now has a logo and it didn't before" but "luckily it is the same people, they just park somewhere different".

b) Benefits from establishing a partnership arrangement with the private sector

Two main benefits were discussed: the greater freedoms through trading to expand the business while learning from others and business sector processes to make the services more efficient.

bi) Expanding the business

The lead councillor explained the "whole point of setting it [the partnership] up was so the authority could sell services beyond the authority's borders" to "make the services more cost effective" and "to work as a business and deliver something back". He also wanted to stop other contractors from coming in and taking over. He also thought that delivering services outside the authority "should be a positive learning" experience as any good practice could be used to "enhance service delivery". The lead councillor also thought that there might be a payback by going

into partnership and in "seven years time we might have a company that is quite valuable and could even be floated".

The director spoke about the opportunities that the partnership arrangements with the private sector company had created including "expanding the business, creating a vehicle to provide the niche provision" to be able to deliver services to other authorities where there were "capacity issues". He explained this was not to "annex" other local authorities or to "take over" but to "go and fill gaps". He went on to say that he thought the "big prizes were actually in national contracts, the big contracts" and went on to describe that the partnership had just won a £10m national contract to deliver teacher training courses.

The headteacher agreed that a positive result of expanding the business were the benefits of "learning from elsewhere". However, he said this benefit was not yet being fed back into secondary schools; it was an opportunity for the "partnership to grab".

bii) Positive impact of using business processes

The lead councillor acknowledged the positive impact of using the private sector's business processes and cited the IT service as "an excellent example" where efficiencies had been made in terms of costs and quality of service delivery. He felt the changes that had taken place "would never have happened if they had stayed in the public sector". He also said the approach of the partnership board meetings and

discussions at a strategic level enhanced by the "connections outside the organisation" whereas a local authority "tends to be inward looking".

The director said he had been "surprised and humbled and also embarrassed" because working with the private sector had brought in "business processes" that he thought they had been "pretty good at" but admitted that in comparison they "were rather amateur". He spoke about the private sector undertaking proper cost accounting and market analysis and said he had not expected to see the sort of "tangible" outcomes that would impact on not only the quality of the services provided but also on the efficiency of delivering the service. He saw all these developments as "great positives" from being in a partnership.

The headteacher spoke about the benefits of buying back some specific services including finance, personnel and legal services and was full of praise for the support on health and safety matters as these were "bits you could just not do without". However, many schools were resigned that the partnership arrangement "was going to happen" but he was not sure that the local authority was right it its assumption that schools were still totally "committed to the local authority" and would buy back the services. He spoke about some of the positive changes that had taken place and the good networking opportunities for staff and improvements in the IT services. On reflection he said he did recognise that there were "opportunities and some benefits".

Summary

The initial benefit was seen as an ability for the local authority to expand its services and thereby hopefully ensure sustainability but it also provided an opportunity to improve the services by learning from others. An unexpected benefit was the improvement in the efficiency and effectiveness of the services achieved by employing more business oriented processes such as market testing and cost accounting.

Research Question Three: What effect has there been on the performance of the education services where local authorities engaged with the private sector?

I wanted to explore how the performance of the contract was measured and if the quality of the services provided to schools had improved.

a) Monitoring performance of the contract

The lead councillor thought that if you compared the other contracts they had with the partnership agreement it was "working better than most" and "was designed better than most". He felt this was because the authority was a shareholder and sat on the partnership board and could have a direct influence on the agreement. He described the agreement as a "commercial contract so, you look at the bottom line for profits" and "it has done very well… it has made some money". However, he went on to say he was not sure that he had a "very good handle on what schools actually say about the performance". He felt it was difficult for the board to gather the

"quantitative data" although he knew that there were performance standards and "in the first year I think all bar one were met".

The director said there were a series of monthly and termly monitoring meetings held with the partnership and included councillors, officers and headteachers. However, because the partnership was "still part of the county" he was not sure whether the cost of these meetings, which came out of the contract price, was "money well spent" or what benefits were really gained. He said "a fair bit of money" was spend "for them [the partnership] to appear in front of the committee … not only to account for performance … but also on the soft issues of what's going on". He thought the "cost of democracy was fairly high".

The headteacher did not comment on how the contract was monitored but reflected more on whether the contract had had any benefits. Those thoughts are considered in the next section.

b) Improving the quality of services to schools

All three interviewees appeared supportive of the opportunities to improve services but did not comment on school performance.

The lead councillor felt that the arrangement of having a twenty per cent share "drives a much better relationship because we [the authority] have a stake in the success of the business as well". He thought it might be more difficult to "set up this sort of contract in an authority where there were a large number of schools that were

failing" because the focus would be on improving school performance not improving the efficiency of the services. The lead councillor was certain that the contract was a good one because it was not based on relationships between senior staff in the two organisations.

The director said that the impact of having a partnership agreement with the private sector had been "fairly positive". He said there had been tensions between the two organisations especially when staff, for example on the "accountancy side were sitting together". When asked if there was anything negative about the agreement the director said "nothing really concrete, it is relatively early days". However, he did say he worried about the "fragility" of the contract because he felt it did depend on relationships between the two organisations.

 The headteacher said that he thought the "jury was still out". Headteachers wanted to see the added value from the contract and although primary headteachers were benefiting, he said he was not sure the secondary heads felt the same way.

Summary

The lead councillor and director both agreed that the private sector contract with the authority as a shareholder was a good one. However, neither was sure about the benefits of the partnership meetings and the director felt that the financial cost was perhaps too high. There were also differences of view from the lead councillor and the director about whether the effectiveness of the contract was due to good relationships, a tension between the private sector company and the local authority or

the nature of the contract. The fact that the schools were high performing led the interviewees to focus their comments on the efficiency of the services rather than the impact the new arrangements had on improving the overall performance of schools. There was some evidence that the services in the main were more effective but the headteacher was still reserving judgment.

Research Question Four What has been the effect on governance and public accountability when the functions of an LEA are delivered by the private sector?

I wanted to explore what impact the involvement of the private sector had had on the roles and responsibilities of the local authority and if there had been any impact on democratic accountability and if there were any issues for the future delivery of services.

a) Impact on roles and responsibilities
All three interviews had different interpretations about the impact.

The lead councillor said that the authority had lost direct control over schools sometime ago and therefore "what is left is light touch monitoring" so he was not sure that engaging in partnership with the private sector "impacted greatly on the governance arrangements" or the authority's role and responsibilities in relation to schools. In terms of democratic accountability he said that if he had asked parents what they thought of the arrangements with the private sector company he would have got "a blank look". He felt that the only direct issue was around value for

money as that had an impact in terms of the council tax and how much was then spent on schools. The lead councillor said he could give assurances about the contract because the authority had a "stake in the success of the business".

The director said that because of his position on the partnership board he was able to look at the issues for service provision from the perspective of both the market place as well as from the authority. However, it was his relationship with directors in other authorities and discussions with the DfES that concerned him the most. He said he was given a "hard time by his colleagues" and felt some deliberately "misrepresented" what he was doing as they thought his aim was to take over their services. He felt the DfES just thought the proposal was just about seeking legal powers to trade outside the authority boundaries. His did not like the developments he saw with the private sector being "parachuted in" to failing authorities and he said he just wanted to test out what was possible from a "position of strength".

The headteacher said that it may be considered "old fashioned" but a number of colleagues still believed that schools together with the local authority were "part of an education service". He said many headteachers feel that public services have a unique ability to build a "shared community" based on "shared values" and schools played a significant role in serving the local community. He was not sure that working with the private sector was a way to maintain the "spirit of community".

b) Impact on the future delivery of services

The main issues discussed involved the opportunities that the contractual relationship raised, the influence of central government and the changing role of local authorities as a result of the Children Act (DfES 2004).

The lead councillor had concerns about the future and felt that "something was missing". He spoke about the 100 years of history of local authorities that he felt was "holding the organisation back … because … the drive to change is often financial or from national government and actually service delivery should be the drivers of change". He said that change often comes as a result of being "pushed" rather then when you "actually need change" to happen. In looking to the future he believed that you should start with a blank sheet of paper and go outside the local authority "because you won't find the answers inside". He thought local authorities should focus on "outcomes" rather than inputs and "were obsessed with how much money they got not about what services they should deliver". On reflection he felt the contract they had "was about right". The "relationship with the company is right" and time was now "needed to think how it is likely to evolve" so they could begin to prepare for the future.

The director felt that the arrangement that the authority had established potentially gave government a better platform from which to a secure services for local authorities. When speaking about some of the minority services that are high cost but essential often for the most vulnerable children he thought that the contract might even provide some of those "endangered activities a more secure future". He concluded by saying that new "synergies are bringing things together" which he felt

would benefit the system now and in the future as the role of local authorities evolved into delivering children's services.

The headteacher recognised that the private sector was now engaged in public service delivery and reflected that although he had concerns about profits being generated from the delivery of public services he acknowledged that if they provided better services well, then "ethics goes out of the window". However, he identified as even more significant the changing roles of local authorities and what affect that was having on the time the director spent purely on schools issues. He saw the changes that were coming in relation to children's social care services and the impact on the work of the director which he said schools "misinterpreted" and because he was "less visible" it lead to a feeling that the local authority was "not committed to its schools". He also saw the relationship with the private sector as creating a wedge between schools and the relationship they used to have with the authority.

Summary

There have been changes in the role and responsibilities of everyone involved in delivering the authority's education services but it is not possible to conclude that these were as a direct result of the partnership agreement with the private sector. The changing nature and role of local authorities and their relationship with schools was perhaps a more significant factor. None of the interviewees felt that working with the private sector had had any impact on democratic accountability but saw that the other changes would have more of an impact on the future delivery of education services. The fact that the government was increasingly seeing the private sector as a deliverer

of public services meant that they needed to review how in fact they provided services to schools. The issue of the impact of the Children Act (DfES 2004) was mentioned briefly.

4.2.5.4 Conclusion

The local authority serves a relatively affluent population and the two Ofsted reports spanning a period of five years from 1998 until 2003 acknowledged that this was a high performing authority. The authority developed a public-private partnership for the delivery of services for schools. On the whole this was seen as a positive step by Ofsted, the councillors and director but was only cautiously welcomed by schools. The lead councillor and director believed that this arrangement was important not only to secure the retention of staff who were being headhunted by other private sector companies but also to provide a long-term sustainable platform for the delivery of services to their schools. It was only through being part of an external company and winning contracts outside the local authority that they felt they could expand their services. The headteacher was uncertain whether this decision would actually improve the education for the pupils in schools and the monitoring processes seemed to be more about the efficiency of the services rather than measuring the impact on the educational outcomes. There did not appear to be any reduction in democratic accountability.

4.3 Case Studies a Summary

This chapter has provided a contextual discussion of the responses to my interview questions from the representatives from three government agencies and set out four

case studies using the information I gathered from my interviews by using the Miles and Huberman (1994) data reduction techniques as described in Chapter 3. The next chapter uses this information to provide a comparative analysis of the outcomes from the interviews and case studies in order to draw together the initial findings from my research and to begin the process of answering my four research questions.

CHAPTER 5

ANALYSIS AND DISCUSSION OF FINDINGS

INTRODUCTION

This chapter has three sections. The first section focuses on the contextual analysis

drawn from the Ofsted inspection reports for the four local authorities. Section two

has four parts, one for each of the research questions and sets out the responses to the

interview questions from the four case studies supplemented by the responses from

the representatives from the three government agencies. It draws together through a

discussion of the findings, in the light of the evidence from the literature review,

some initial conclusions regarding answers to the research questions. The final

section has two parts, the first considers if the aims of my research, as set out in

Chapter 1, have been achieved and secondly provides a summary of the initial

conclusions and the issues that need to be considered in Chapter 6.

5.1 : ANALYSIS AND DISCUSSION OF THE CONTEXT OF THE FOUR LOCAL AUTHORITIES AS DESCRIBED BY THEIR OFSTED INSPECTION REPORTS

This section has two parts: the first uses a matrix to show the contextual information

and overall judgements from the Ofsted inspection reports for each case study. The

second part reflects on the outcomes from the literature review and comprises of a

discussion of the similarities and differences in context of each of the four authorities

to see if any conclusions can be drawn.

5.1.1 Analysis of the Contextual Information From the Four Case Studies

I used Miles and Huberman's (1994) data reduction method as described in Chapter 3 to set out a visual analysis in the form of a table to show the key information on the context and overall Ofsted judgements for each case study. The data in the Table 5a (p163) enabled me to consider if there were relationships between the contextual information, the Ofsted judgement and the level of involvement of the private sector. To do this I tested out the correlation between the local socio-economic environment, the quality of political leadership within the authority and the initial and subsequent Ofsted judgements with the use and level of involvement of the private sector.

5.1.2 Discussion of the Findings From the Analysis

This part discusses and then summarises the outcomes from each of the contextual aspects used by Ofsted and relates them to the issues that emerged from the literature review in order to consider how the evidence from this section might contribute to answering the research questions.

5.1.2.1 Discussion

The socio-economic environment issues of urban versus rural and high levels of deprivation within in a local authority were not identified in the literature review as determining factors that influenced the policy makers in the early 1980s. Although, it is possible to identify from my framework analysis of Ofsted reports (Appendix 1.3) that the majority of local authorities that failed their inspection were urban authorities and had high levels of deprivation, it is not possible to conclude that either of these facts was a determining factor for the policy makers to introduce

Table 5a: A Summary of Contextual Information and Overall Inspection Judgements for the Four Authorities.

	Case Study 1	Case Study 2	Case Study 3	Case Study 4
Local context	• Metropolitan authority • Urban area • Significant deprivation	• Metropolitan authority • City population • Significant deprivation	• Large shire county • Rural area • Sparsely populated • Some deprivation	• Large shire county • Many urban areas • Highly populated • Mostly affluent
Historical political context	• Political turmoil over a long period of time prior to the first inspection	• Lack of political leadership and decision making; • Low spending on education	• Initially stable leadership • Instability between inspections with significant local political turmoil affecting leadership	• Initially no overall control • Changes to single party control as a result of local elections in 1997
Overall Ofsted inspection judgement from the first inspection (Reference Ofsted Reports)	• "some strengths … but the list of weaknesses is formidable".	• "weaknesses outweigh strengths".	• "satisfactory, some weaknesses and a recommendation for early re-inspection".	• "it has many strengths and relatively few weaknesses".
Overall Ofsted inspection judgement from the most recent Ofsted inspection at the time of the fieldwork	• "now highly satisfactory … with good capacity for further improvement".	• "it is now a good LEA … capacity to improve is good".	• "effectiveness has improved considerably … it is now highly satisfactory … and has satisfactory capacity to improve further".	• "has many strengths, no weaknesses … it is a good LEA with excellent capacity to improve further".
Provider of educational services for schools	• A private sector company	• The Local Authority after a short period of peer support	• A not-for-profit organisation	• A private sector agency in partnership with the Local Authority
Decision maker	• The Secretary of State for Education	• The Secretary of State for Education	• The Local Authority (DfES influence)	• The Local Authority

legislation that promoted the use of the private sector in the delivery of public services.

As discussed by Chitty (1989), Dale (91989), Farnham and Horton (1996) and Greenwood et al (2002), it was the system of local government that included a "tripartite partnership (Dale 1989, p97) that was considered by the right wing policy makers in the early 1990s as being incapable of solving the current social and economic problems. Farnham and Horton (1996) described how in the 1980s the ideas of the public choice theorists, who promoted the concepts of the market place and choice, were listened to by policy makers and their ideas became the catalyst for changing the delivery of public services, Bottery (2005), Ball (2008) and Ranson (2008) concur that these concepts are still being followed in 2009.

The views as set out above and also discussed by Chitty (1989), Dale (1989) and Barber (1996) confirm in the 1980s that there were major concerns about the system of local government and its effectiveness in the 1980s. Twenty years on from those initial concerns the two authorities who had poor Ofsted judgements (Case Studies 1 and 2) had experienced local political turmoil and this perhaps supports the notion that ineffectual local government leads to poor outcomes for service delivery. However, the question is, although legislation has been implemented to change the way that services were delivered by local authorities to seemingly mitigate for ineffective local government, what led to them failing their Ofsted inspections? This will be considered in the next part of this section.

Two other aspects in the analysis (Table 5a, p163) relate to the delivery of the education services and the subsequent outcomes from later Ofsted inspections. As we have seen it was the legislation including the ERA and the following Acts (DES 1988, DfEE 1992, 1997) that enabled the private sector to deliver public services. However, the evidence of a link between the outcome of those subsequent Ofsted inspections and the provider of the educational services does not appear conclusive. Although all the authorities that used the private sector saw improvements in the subsequent Ofsted inspection judgements so did one authority that eventually continued to be responsible for the delivery of its own services. Therefore, it is not possible to categorically conclude at this point that the involvement of the private sector is a necessary requirement for improvements in educational outcomes. Further evidence is therefore needed to evaluate all the contextual factors and to draw conclusions about the relative importance of each one, including comparing the performance outcomes of similar authorities using a variety of service delivery methods.

Levin and Fullan (2008), through their research already conclude that the use of the private sector "as the drivers of improvement has not been demonstrated to work" (Levin and Fullan 2008, p300). However, the APA scores (2008) provide evidence that in one case study where the private sector was engaged outcomes had been maintained, and in another outcomes improved (Table 5b, p166).

This evidence requires further exploration and will be considered in the next section.

The final piece of contextual information considered in Table 5a, that of who was the decision maker in relation to the delivery of the services, at present is just a statement of fact but, as will be seen in the next section, the circumstances leading up to that decision is of relevance to the research.

Table 5b : Case Study Comparative APA Scores (2008)

	Case Study 1	Case Study 2	Case Study 3	Case Study 4
APA Score Overall	3	3	3	1
Enjoy and Achieve	3	3	3	3
Capacity	3	3	4	1
Commentary (Ofsted 2008)	"delivers above the minimum standards required for most children and young people …capacity to improve good. The overall improvement … exceeds that in similar councils".	"continues to deliver services that are of good quality … education performance of young people … has improved at a faster rate than comparative group."	"provides services … that are consistently above the minimum required … progress in primary schools is slower and too many schools are in the lowest quartile nationally".	"services … do not meet the minimum requirements … capacity to improve services is inadequate … outcomes … with regard to universal services are generally good".
Provider	Private sector	Local Authority	Not for profit partnership	Private sector partnership

5.1.2.2 Summary

It has been possible to draw some overarching conclusions from the analysis of the contextual data from the Ofsted inspection reports. However, it will be the evidence from the analysis and discussions of the responses from the four case studies to the four research questions that will provide an opportunity to observe the "effects in real contexts" (Cohen et al 2001, p181). This will produce a richer interpretative account able to contribute to the current research and knowledge about the role, function and

impact of using the private sector to deliver public education services on local authority performance.

5.2 : ANALYSIS AND DISCUSSION OF THE FOUR RESEARCH QUESTIONS

This section has four parts, one for each of the research questions. Each part has five elements and begins with a reminder of what I hoped I would learn from asking the specific interview questions. The second element, using a matrix that sets out a summary of the responses from each of the case studies to each of the interview questions provides a visualisation synopsis of the similarities and differences found in order to identify the emerging issues. This information is supplemented by a third element that sets out the responses from the representatives of three government agencies. The fourth element comprises of a discussion using the outcomes from the analysis and the issues that emerged from the literature review to begin to draw out the answers to the research questions. The final element is a summary setting out how successfully the research question has been answered.

5.2.1 Research Question One : Why did the Conservative Government of the 1980s and 1990s and the current Labour Government promote the use of the private sector in delivering public services?

5.2.1.1 Introduction

In seeking to answer this question I hoped to understand from the interviewees' perspective the context of each of the four local authorities before they had their initial and subsequent Ofsted inspection judgements. I would then be able to see if

there was any evidence to substantiate the views described in the literature review about why governments since the 1980s promoted the use of the private sector in delivering public services. A summary of the responses to the three interview questions focusing on Research Question 1 are set out in Table 5c (p169).

5.2.1.2 Analysis of the findings

It is possible through an analysis of the summaries (Table 5c, p169) to identify a number of issues. The first considers the reasons for the first Ofsted judgement, the second how the local authority reacted to Ofsted's judgements and the third the views of others.

The two authorities that failed their inspection had similar weaknesses including poor strategic leadership, poorly performing schools, poor support for school improvement, lack of strategic planning and funding not being spent appropriately on schools. In Case Study 3, although the school improvement services were seen as poor the overall judgment was satisfactory. There were examples of good leadership, good school improvement services and schools that were performing well in Case Study 4 an authority that was judged to be successful.

From these initial findings it would appear that performance of the local authority's strategic leadership at both councillor and officer level was seen as a significant factor for judging the effectiveness of local authority education services.

Table 5c : Research Question 1 – Analysis of Interview Questions

	Case Study 1	Case Study 2	Case Study 3	Case Study 4
Reasons for initial Ofsted inspection judgement (Reference: Ofsted Reports)	• Poor strategic leadership and planning • Poor performing schools • Poor support for school improvement • Poor budget planning for education	• Lack of strategic leadership and planning • Poor performing schools • Poor support for school improvement • Funding diverted from schools	• Poor support for school improvement • Examples of lack of strategic planning • High level of delegation to schools seen as positive • At least satisfactory support for national strategies, SEN and early years	• Effective support for school improvement • Good school performance • Good level of funding • Good knowledge and understanding of school performance by councillors and senior officers
Views on the Ofsted judgement and subsequent outcome for the delivery of the education services	• The councillors were in denial • Councillors were opposed to the decision by the Secretary of State	• The authority accepted the Ofsted judgement • The authority was against the use of an external agency • The authority was desperate to show that they could improve the services themselves	• A recognition of the issues raised by Ofsted • Discussions with the DfES led the authority to seek a contract with an external partner • The authority already had a major contract for management services with the private sector	• The authority had concerns about its ability to maintain high performance due to difficulties with recruitment and retention • There were concerns about potential government policy requiring changes for local authorities
Views of others	• The new political leadership and the headteachers expressed concerns and recognised that things needed to improve rapidly	• The view from the interviewees was that other members, officers and headteachers did not want to see external agencies delivering services. • Agreement that internal changes would be the best way to deliver the improvements.	• Mixed views • Some concerns from headteachers, particularly those not from Grant Maintained schools.	• Staff were being recruited by private sector agencies • Changes were necessary. • Not all were convinced that the changes would lead to improvements in service delivery.

Other factors could also be seen as relevant. In all four case studies there appears to be a recognition that the way services had been delivered needed to change. The reason in Case Study 4 was different to the other three case studies where there were concerns about poorly performing services.

In Case Study 1, the councillors were seen to be in denial about the outcome of the inspection and were very much opposed to the decision taken by the Secretary of State to require a private sector company to be engaged to deliver services. Whereas in Case Study 2, with a similar inspection judgement, the authority took a more proactive view and accepted the outcome. They did not want intervention and wanted to prove that they could improve the services themselves. This they did and following the second inspection convinced the Secretary of State not to engage the private sector to deliver their services. Although the authority in Case Study 3 accepted their satisfactory Ofsted judgement they felt they did not have the capacity to make the changes necessary to show significant improvement by the time of their re-inspection so decided to engage an external partner. In Case Study 4, the authority had a very positive Ofsted inspection but they decided to engage with a private sector company as they had a number of concerns. Firstly, the loss of staff to the private sector and difficulty in recruitment and, secondly, they were concerned that the government would make the use of the private sector compulsory. Therefore they felt they wanted to be in control of what happened in their authority so looked at a different way of delivering services through engaging with the private sector.

From these responses from the interviewees and looking at the impact of the Secretary of State's judgement on who delivered the educational services for schools, I think there is one key issue that needs further consideration and that is the state of the political environment at the time of an inspection and how that impacted on the approach taken by the authority.

5.2.1.3 Summary of views from the three government agencies

The interviewees from Ofsted, Audit Commission and DfES outlined their collective concerns that some local authorities were being judged as failing in their duties. They suggested that there were no real alternatives than to engage the private sector as many of the authorities being inspected in the first tranches were those where there were already concerns so there were few authorities judged as 'good' that could be seen to provide peer support. There was no real consensus in their responses about whether the involvement of the private sector being engaged was because of a clearly thought through political ideology or policy direction or whether it was a result of needing a pragmatic solution.

The relevance of these issues in answering the research questions is discussed in 5.2.2 below.

5.2.1.4 Discussion of the findings

The context of each local authority in the case studies highlights the significant impact of the political and officer leadership on the outcome of the Ofsted inspection judgements and indeed the performance of the local authority. So, was it the failure

of local government in the late 1970s and early 1980s that led the Conservative Government of the 1980s to promote to use the private sector in delivering public services and why the Labour Government of the 1990s has continued to promote their use or were there other reasons?

Stewart and Stoker (1989) describe the period up until the 1970s as one where local authorities were seen as being dominated by three organising principles of functionalism, uniformity and hierarchy. However, there was professional trust between central and local government and education professionals but as Dale (1989), Barber (1996), Farnham and Horton (1996) and Ranson (2008) identified it was the period of economic crisis from 1973 to 1979 that triggered significant changes in the way that public services are delivered and the shift to the use of the private sector. Stewart and Stoker (1989) and Greenwood et al (2002) reflected on the emerging views that local government was ineffective and according to Farnham and Horton (1996, p10) the time being ripe for "new political … ideas".

Stewart and Stoker (1989) explain that the private sector was beginning to be seen as operating in a more competitive and flexible way and there was a view that the current workforce did not have the skills to embrace the requirements of the modern technologies being introduced in the developing industries. Also, public choice theorists believed that bureaucracies were incapable of change and in particular the public sector bureaucrats were seen to be "pursuing their own interest" (Greenwood et al 2002, p10).

Many researchers including Chitty (1989), Dale (1989), Stewart (1989), Barber (1996) and Farnham and Greenwood (1996) also reflect on the fact that at this time schools were not performing well nor creating a workforce able to deliver the changes need to improve the economy. So, there was increasing pressure to improve public sector provision and to achieve that the state needed more control over education and local authorities. This was evidenced by the now famous speech made at Ruskin College in 1976 by the then Prime Minister James Callaghan.

The Conservative Government in the 1980s and early 1990s saw that the concept of the market place and choice as a way to not only improve performance but to also drive down costs. The legislation they introduced also led to a reduction in the power of local government and increase control by the state. The ERA was a driving force for their policies.

The further changes to local government made in the early 1990s through the introduction of managerialist systems which Greenwood et al (2002) and Gunter (2008) saw as a shift from policy to performance management and involved processes that were being used successfully by the private sector. It is therefore possible to conclude that the Conservative Government saw real benefits in engaging the private sector to deliver public sector services through greater efficiencies, lower costs and improved performance.

The public sector the Labour Government inherited when elected in 1997 was based on theories as described by Farnham and Horton (1996) from the 'New Right' so why

were they continued and as we have seen from the literature and from the case studies enhanced?

Greenwood et al (2002), Bottery (2005) and Ball (2008) explore this fact. Greenwood et al (2002) states that there was a view that the private sector was more efficient so public spending could be reduced without impacting on performance; Ball (2008) felt that the use of the private sector was already embedded in the provision of the public sector and Bottery (2005) that there was just an inevitability about the continuation of the use of the private sector. However, the government's publication from the OPSR (OPSR 2002) clearly set out Labour's intention regarding the continuation of the concepts of choice and the market place and highlights the similarities in thinking between the 'New Right' and 'New Labour'. However, there is still some debate about whether the continuation of these polices was, as described by Farnham and Horton (2002), more pragmatic than ideological.

The literature review (Greenwood et al 2002, Bottery 2005, Ball 2008) clearly identifies that the Labour Government in the late 1990s saw the private sector as a means to improve performance of failing local authorities. However, the interviewee from the DfES felt that perhaps there was no alternative.

Case Studies 1 and 2 show that the government felt that the private sector could make a difference, although the authority in Case Study 2 was able to persuade the Secretary of State that the authority itself could make the improvements. In Case Study 3 there appears to be some evidence that the authority was persuaded by the

DfES to seek an arrangement with the private sector. It is possible to conclude that in the three authorities who engaged with the private sector, through intervention (Case Study 1), persuasion (Case Study 3) or choice (Case Study 4), that there were improvements in the judgements of their subsequent Ofsted inspections. However, the authority (Case Study 2) that tackled its weaknesses without long term private sector involvement was also judged by Ofsted to have improved.

5.2.1.5 Summary

The fundamental rationale for the Conservative Government to promote the use of the private sector was based on the belief that local government was not providing services that were of a high enough standard and at a low enough cost. The private sector that was emerging during the 1970s was seen to be more efficient and effective and the 'New Right' saw the application of the concept of the market place involving consumer choice as one that would transform local authority services. This concept was introduced to the world of education through the ERA in 1988 and over the next nine years further legislation saw the private sector becoming more deeply embedded in the delivery of local education services. The Labour Government came into power in 1997 and continued the policies introduced by the previous government. The rationale may be considered by some to be more pragmatic rather than ideological and that although the principles may be similar the concept was different as explained by shifting CCT to reporting on VfM which involved focusing on quality rather than just the lowest cost. However, the conclusions from the literature review make it clear that the government needed changes to take place to improve local government performance but the evidence from the case studies is that

even after all the policy changes since 1988 not all local government authorities perform effectively and the private sector is still seen as a solution to improve performance as witnessed by the most recent interventions by the Secretary of State following the publication of the APA scores for local authorities in 2008.

The next section seeks to identify from the case studies and with reference to the literature why local authorities voluntarily seek to engage with the private sector in the delivery of public services.

5.2.2 Research Question Two : Why did some LEAs actively seek partnerships with the private sector to deliver LEA services and functions?

5.2.2.1 Introduction

Two of my four chosen authorities actively sought to engage with the private sector (Case Studies 3 and 4) and I analysed closely their responses. So as to gain a wider understanding of why LEAs would want to engage with the private sector, I asked all interviewees why the private sector was engaged, even if only initially, and what they perceived as the advantages of the private sector.

5.2.2.2 Analysis of the findings

It is possible through an analysis (Table 5d p179) of the two interview questions relating to this Research Question to identify a number of issues. There were three reasons why the decision was made to engage with the private sector. In Case Studies

1 and 2 the decision was taken by the government because of the poor quality of services being delivered, although in Case Study 2 we know that eventually the government allowed the authority to continue to deliver its education services. In Case Study 3, it was the authority's choice, with encouragement from the government, as they recognised a lack of capacity to make the improvements themselves. The third reason, in Case Study 4, was more about the authority wanting to ensure the sustainability of high quality services and keeping control of what happened within their own authority as there was a perception that the government would impose a way of delivering services to schools.

The case studies highlighted a number of perceived benefits from engaging with the private sector. Case Studies 1, 3 and 4 identified a number of benefits that would result in improved performance overall. These included: performance monitoring systems; improved relationships within the authority and between schools and the authority; faster decision making; employing better quality staff; greater efficiencies in service delivery; and for schools, the freedom to choose who provided the services. However, even Case Study 2 reflected on improved relationships with schools and performance monitoring systems after having worked jointly with the private sector. Case Study 4 also identified other benefits of working with the private sector including an ability to expand 'the business' by delivering services to other authorities and improving services by learning from others through their work in other authorities.

5.2.2.3 Summary of views from the three government agencies

Although all the interviewees acknowledged that the majority of the staff employed by the private sector in delivering services in local authorities were ex-local authority employees, they considered that the private sector practices that were used made local authorities more accountable. The two significant practices that were adopted by the local authorities themselves included having a focus on performance and setting targets and improving their service delivery systems, which in themselves made a positive difference to the overall performance of the authorities.

5.2.2.4 Discussion of findings

The conclusion from the literature review (Stewart and Stoker 1989, Barber 1996, Farnham and Horton 1996, Greenwood et al 2002, OPSR 2002, Gunter 2008) demonstrates very clearly that the view of successive governments from the early 1980s was that if local authorities were to continue to provide services they needed to be adopting more 'business-like' approaches by assuming private sector characteristics of efficiency, effectiveness through competition and choice.

The case studies, although also showing that the local authorities saw the benefits of many of these practices, also identified other reasons for seeking out partnerships with the private sector, in particular Case Studies 3 and 4. In Case Study 3, the

Table 5d : Research Question 2 – Analysis of Interview Questions

	Case Study 1	Case Study 2	Case Study 3	Case Study 4
Why was the decision made to engage with the private sector?	• Ofsted inspection outcomes poor • Lack of strategic leadership • No capacity to improve • The Secretary of State evoked intervention orders • Requirement to engage with a private sector company	• Poor Ofsted • Required to work with consultants and with peer support • The authority did not want intervention • Achieved targets ahead of schedule • Persuaded the DfES and the Secretary of State not enact intervention orders	• The Ofsted inspection "within an inch of intervention" and perception that DfES persuaded authority as rapid progress was needed before re-inspection • The authority had experience of working with the private sector • Using another partner to deliver services seen as a natural step	• Secure continued employment of staff. • Sustainability of services. • To ensure control over future of local authority
What were seen to be the benefits of engaging with the private sector	• Clearer focus on outcomes • Relationships improved • Quality of staff improved • Quicker decisions making	• Out-sourcing not seen as solution. • Outsiders would not be welcome. • The threat of out-sourcing galvanised action. • Improved performance management systems.	• Greater efficiencies. • Better use of staff resources • Schools gained the freedom to choose who provided the services • Improved relationships with the local authority	• Local authority could expand services. • System benefits • Using business oriented processes would result in improvements to services • Ability to learn from others. • To ensure control over future of local authority

authority believed that if they had not chosen to engage the private sector in delivering school improvement services they would have been required to by the DfES. The authority believed they needed to show some form of radical change in the way that services were delivered before their next Ofsted inspection. However, the authority (Case Study 4) that was seen by Ofsted to be good with few weaknesses had other concerns. Firstly, the loss of their staff to the private sector, who could offer better terms and conditions, and secondly from their perception that the growing use of the private sector would eventually be forced on all local authorities and this would take control away from the authority. This led them to review how they delivered services to schools and conclude that there would be benefits in developing a partnership arrangement with a private sector company. Case Study 4 also spoke of the benefits identified in the literature review (OPSR 2002) of competition and choice and, in their case as part of a private sector partnership, the ability to trade openly with other authorities.

As we have seen for Case Studies 1 and 2, where the Ofsted inspection outcomes were poor, it was the government who believed that the private sector would ensure improvements in service delivery and enacted intervention orders for one authority (Case Study 1) and insisted that private sector consultant be engaged in supporting the other authority (Case Study 2), though this was only necessary for a short time. In both these case studies it was the use of business type systems, including setting targets to measure outcomes that lead to improved efficiencies and increased accountability, that contributed to the overall performance improvements. These benefits were also seen in Case Studies 3 and 4.

Therefore, it could be argued that in all four cases studies the use of private sector business-like processes has been beneficial in terms of efficiency. The chronological framework used in Chapter 2 (Table 2a, p29) clearly demonstrates that changes to the processes were introduced by successive governments as a result of concerns about the continued rising cost and lack of effectiveness of public services. In particular, the introduction of managerialism during the second era (1988-1997) was seen to legitimise the use of "private sector knowledge about business effectiveness" (Gunter 2008, p263). The third and fourth eras also saw private sector practices embedded in by the Labour Government who saw the private sector as being able to reduce public spending "at a stroke" (Greenwood et al 2002, p215). Ball (2008) reflected that the move by the government to out-sourcing was further proof of their belief that the private sector was not only more efficient but also more effective.

5.2.2.5 Summary

All four case studies recognised possible benefits of the private sector from implementing improved business like processes. In Case Study 2 it was felt that after the initial changes brought in following the use of private sector consultants that the authority could improve by itself. However, in Case Study 1 the authority did not have the self belief that was evident in case Study 2. This initially stemmed from the local politicians' denial that they were a failing authority. The two authorities that actively engaged with the private sector did so because in Case Study 3 it feared that it would not improve quickly enough before it was re-inspected and in Case Study 4 it wanted to stem the loss of good staff, improve recruitment and engage with the

private sector on their terms before, as they perceived it, the government forced all

local authorities to engage the private to deliver services.

The case studies provide evidence that the business-like processes, as seen by

government and explored in the literature review, have certainly made a difference to

the efficiency of local authority service provision. However, have those business

systems and processes led to better service outcomes in the form of improved

educational performance? This is addressed in the next question.

5.2.3 Research Question Three : What effect has there been on the performance of

the education services where local authorities engaged with the private sector?

5.2.3.1 Introduction

To better understand the context, I wanted to find out how performance was

monitored and how services were evaluated as well as investigating whether the

services within the authority had improved following the first Ofsted inspection.

5.2.3.2 Analysis of findings

It is possible through an analysis (Table 5e, p184) of the two interview questions for

this Research Question to identify a number of issues. The first considers how

performance was measured. In all four case studies, the performance of the contracts

and the in-house services (Case Study 2) were all monitored through formal and

informal meetings. Contract monitoring was seen to be business-like and all four

authorities felt they had benefited from using more "private sector" approaches to

performance monitoring. By this they meant it was more rigorous and focused on targets. However, some concerns were identified including: sometimes too many targets being set, targets being more about input than outcomes and the systems being very resource intensive and therefore expensive. Although the councillors and directors were very much involved in the monitoring processes some of the headteachers interviewed were not clear at all about how performance of the contracts was being measured.

A second issue considered the important outcome of whether services had in fact improved. Although improvements were made to services in the two authorities (Case Studies 1 and 2) that were judged poor, the performance of schools was still considered a concern. In Case Study 1 there was also a concern that the focus on making the necessary improvements in school performance had lead to a narrowing of the curriculum. However in Case Study 3, the focus had been on improvements in the quality of services with little reference to the performance of schools. The local authority in Case Study 4 already had high performing schools so although the authority was very keen to ensure that the levels of achievement were maintained, the emphasis was on making the services more efficient, which they felt they had done.

5.2.3.3 Summary of views from the three government agencies

The interviewees focused on the fact that it was the inspection regime that had had an overarching impact on all local authority performance by creating a system of

Table 5e : Research Question 3 – Analysis of Interview Questions

	Case Study 1	Case Study 2	Case Study 3	Case Study 4
How was performance monitored?	• The contract was monitored through a range of meetings • The process was seen to be more business like than before	• A performance management framework was established by the initial consultants • Continued use of the framework enabled the authority to monitor performance	• Performance monitoring meetings and scrutiny by councillors were the main systems. • Too many targets were set • The headteacher not aware of any of the formal processes to measure performance	• Contract monitoring meetings • Concern that benefits not clearly identified • The system was seen as costly
What was the impact on the performance of services and schools?	• Services became more efficient and effective • Slight improvement in school performance • Concern that the curriculum was too narrow.	• Exceptional progress in the first six months • Progress was sustained through to the next inspection in September 2000 • 2003 report - strategic leadership and management of the authority was a real strength • School performance still needed to improve	• Little impact on school performance • Concern about the sustainability of improvements • Improvement in the relationship between the local authority and schools	• Schools maintained their high performance • A clearer focus on improving the efficiency of services to schools • Evidence that some services were more effective

national scrutiny that led to improvements. They all cited the impact that outsourcing had had in the authorities where local councillors had been removed from decision making following intervention and how this had led to improvements being made because the private sector was able to act independently.

5.2.3.4 Discussions of findings

The literature review (Dale 1989, Barber 1996, Greenwood et al 2002 and OPSR 2002) identified that although private sector practices were initially introduced to the delivery of public services in the 1980s as a solution to a number of "contemporary problems" (Greenwood et al 2002, p213) mainly as a means to reduce cost it was only following the ERA that the concept of performance for public services began to take shape. It has become increasingly possible to measure firstly the performance of schools and following the election of the Labour Government the inspection of local authorities through the setting of targets and production of league tables. This clearly set schools in the market place as parents were able to make comparative judgments between schools. This was seen by government as a means to show how competition between schools would lead to improvements in performance. However, the concept of inspection of local authorities was less about competition between authorities but more about accountability and effectiveness. The government now had the option, like local authority's intervening in failing schools, to intervene in the running of failing authorities and insist on the use of the private sector to deliver services as a means to improve services.

However, the literature review revealed an alternative view. According to Chubb and Moe (1990) and Tooley (1993, 1995) the school system needed to be separated from the state in order to deliver improvements to pupil achievement. However, this was disputed by Ranson (1993, 1995) who believed that it was only a "participatory model of governing local education rather than a market" that would lead to improvements.

The literature review did not conclusively provide evidence of improved outcomes for schools or local authorities as a result of private sector engagement. However, it highlighted that there was a belief by successive governments that the approaches used by the private sector would inevitably lead to service improvements. OPSR set out the view of the Labour Government that there is a demand for high standards in the delivery of public services and government's solution to failure to achieve those standards was to use the private sector.

The evidence from the APA scores in 2008 shows some local authorities still to be failing to deliver effective services. In fact the authority in Case Study 4, which was seen by Ofsted in 2003 to be highly successful is now the subject of intervention by the Secretary of State, although the focus is on their performance in safeguarding, a new responsibility introduced in the Children Act (DfES 2004).

Three of the local authorities that used the private sector to deliver education services (Case Studies 1, 3 and 4) have all seen improvements in their overall performance as judged by Ofsted but so has the authority (Case Study 2) that continued to deliver the

services itself. As we have seen when considering research Question Two all four case studies have shown that the delivery of educational services has benefited from using the 'business-like' approaches introduced by the private sector in terms of efficiency including the use of more rigorous performance management systems and better systems for costing and charging for services. However, even following progress being made within the two authorities that initially had poor Ofsted outcomes (Case Studies 1 and 2), Ofsted still had concerns about the performance outcomes of their schools.

5.2.3.5 Summary

The evidence from the case studies has shown that failing authorities can improve performance at a fundamental level by using 'business-like' practices to improve efficiencies, an aim of successive governments. The use of the private sector has been seen to make some improvement in education performance in one failing authority (Case Study 1) and the one judged to be satisfactory (Case Study 3). However, Case Study 2 also saw improvements in education performance when delivering the services themselves. The most recent evidence using the 2008 APA scores (Table 5b, p166) indicates that Case Studies 1,2,3 have continued to improve their performance and although Case Study 4 is recorded as having good performance for the Enjoy and Achieve outcome the overall performance of the authority has declined significantly in the last few years. Goldspink (2007) and Levin and Fullan (2008) would suggest that it is not competition nor the use of the private sector that has lead to improvements in service outcomes but the changes in focus. For schools this is on the quality of leadership and strategies for teaching and learning and for local authorities it is more about using systems that are more

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reflective, Goldspink's (2007) terminology is a "loosely-coupled" system rather than one based on "conventional managerial and economic derived theories and ideologies" (p46). I believe Goldspink's (2007) and Levin and Fullan's (2008) ideas together with more effective political and officer leadership will lead to improvements in delivering service outcomes.

It is therefore not possible to conclude that the use of the private sector to deliver educational services, nor in fact in-house provision, automatically results in improved school performance. In all four case studies, management systems, particularly performance monitoring had been improved but was it in fact the impact of the inspection regime that led to the improvements? The literature review confirms that changes in government policy ensured that schools and local authorities were now more publicly accountable and they remain accountable as seen by the new inspection regimes for local authorities and publication of the APA scores on an annual basis. This is therefore another area that needs further debate and research: does inspection of local authorities in itself lead to sustained improvement in performance?

5.2.4 Research Question Four : What has been the effect on governance and public accountability when the functions of an LEA are delivered by the private sector?

5.2.4.1 Introduction
I wanted to find out if the roles and responsibilities of those local authorities that had engaged the private sector in delivering educational services had changed. I also wanted to understand the impact there had been, if any, on democratic accountability

within those authorities. I wanted to hear what the interviewees identified as concerns or issues that might impact on current arrangements for delivering services to schools.

5.2.4.2 Analysis of findings

It is possible through an analysis (Table 5f, p190) of the three interview questions for Research Question 4 to identify a number of issues. The first question considers what impact there has been on the roles and responsibilities of the local authority. The three local authorities (Case Studies 1, 3 and 4), that had engaged with the private sector, all revealed that there had been changes in their roles. In Case Study 1 there was a greater clarity of the different roles and responsibilities between the councillors and officers of the authority. In Case Study 2 officers showed a greater accountability in responding to councillors. Case Studies 1, 2 and 3 also identified, for different reasons, improvements in relationships between schools and the local authority.

In response to the second question, whether there had been an impact on the democratic accountability, the three authorities (Case Studies 1, 3 and 4) who were working with the private sector did not feel that there had been any impact at all. They felt that the relationship with the private sector through a contract was like any other contract that the authority entered into and councillors remained accountable to their electorate in terms of improved performance and value for money.

Table 5f : Research Question 4 – Analysis of Interview Questions

	Case Study 1	Case Study 2	Case Study 3	Case Study 4
Impact on roles and responsibilities	• Improved clarity about the role and responsibility of elected members and officers • Improved relationship between elected members, officers and schools	• Improved relationships between the authority and the schools • Enhanced confidence within the authority to deliver improvements	• Changes in roles as the trust delivered the services. • No changes in terms of responsibility • Improved relationships with schools	• Changes in the role of the local authority as services delivered by the partnership • No change in terms of responsibility
Democratic accountability	• No impact on democratic accountability	• No impact on democratic accountability	• No impact on democratic accountability	• No impact on democratic accountability
Future Issues	• Important to maintain benefits gained from use of the private sector • Headteacher concerned about the ability of the local authority to provide the services in the future once the contract ceased • A concern about future government policy and a view that not all services should be delivered by the private sector	• Perception that things beginning to "unravel" • New government policies would change the relationship between authorities and schools and focus on school improvement • Had the politicians become complacent? • Was the authority pushed by local and national government to taking on too many initiatives?	• Feeling that government kept "moving the goal posts" • Concerns about the future government policy changes and the impact on local authorities to focus on school improvement. • Central government was being too prescriptive.	• Increased focus on achieving value for money • Government increasingly seeing the private sector as a deliverer of public services • Local authorities forced to review how they provided services to schools

None of the issues raised by question three, which related to the future implications for the authority in the deliver of educational services to schools, were specifically about the role of the private sector. Concerns included both how to maintain the benefits of the arrangements (Case Study 1) and worries about whether things were beginning to unravel (Case Study 2). All four authorities had concerns about changes being introduced by the government. These included the introduction of School Improvement Partners (SIPs); the implementation of the Children Act (DfES 2004) where local authorities would be required to recruit a Director of Children Services to be responsible for not only educational services but also children's social services and the fact that the government was increasingly seeing the private sector as a deliverer of public services. Their main concern could possibly be summed up at the time of the interviews as being about central government's interference in local government.

5.2.4.3 Summary of views from the three government agencies

All interviewees recognised that the private sector, when brought in as a result of intervention, was not democratically accountable to the local community. However, the outcomes were beneficial; for example, some authorities embraced the modernisation agenda more quickly than they had planned by moving away from service committees and establishing a cabinet system and introducing more effective scrutiny. Other benefits included new political leadership and more effective local government that had a clear vision, set targets and ensured services were more accountable. Consequently, locally elected members through their improved

monitoring were able to carry out their democratic role of being accountable for local education services.

5.2.4.4 Discussion of findings

The literature review provided an opportunity to explore the changing role of central government since 1944 and although from 1988 it was possible to identify greater involvement of the private sector to deliver public sector services there appeared to be no reduction in the influence or control of central government in local authority affairs. Greenwood et al (2002, p14) reflected on the 'New Right' policies as ones that were designed to support a 'strong state' and this is further evidenced by the OPSR (2002) report, which acknowledges that public services could not be made solely accountable to their customers when the democratic accountability is effectively still to Parliament. This is borne out by the fact that some education legislation is based on the assumption that it is parents, who by exercising choice on which school to send their child to, are having a significant role in driving up public service standards.

Chubb and Moe (1990) have argued against government policy saying the wrong "puzzle is being solved" (Chubb and Moe 1990, p19). This was also supported by Tooley (1993, 1995) who saw that the continuation of the involvement of central government was in fact inhibiting improvements in performance and until the school system changed to give more power to the individual then nothing of significance in terms of performance would change. However, the Labour Government have not sought to change the overall system of local government and schools and according

to Ball (2008) now have a centralised system delivered through a series of "franchises" (p156) and Ranson (2008) believes this was done to restore public trust and confidence by making public services more accountable. However as some local authorities fail to deliver good performance as evidenced by the 2008 APA (DCSF 2008 [a], DCSF 2008 [b]) scores, the debate continues about whether the new reforms will create according to Ranson (2008) new opportunities to meet the needs of "cosmopolitan civil society" to replace the "neo-liberal regime …facilitated by the 1998 ERA"?

5.2.4.5 Summary

It is possible to conclude that the use of the private sector had a positive impact on service efficiencies in all four of the case studies. None of the interviewees felt that there had been a diminution of democratic accountability, even in the authority where the Secretary of State had required the outsourcing of the services to the private sector. However, the interviewees from the government agencies felt that there was no real democratic accountability in the initial awarding of contracts to the private sector in the case where intervention was required.

The literature review set out the changing role of local authorities as a result of the increasing engagement of the private sector in delivering services but noted that the democratic responsibilities have remained very much the same. My research showed that none of the authorities had relinquished any of their responsibility for any statutory functions to the private sector. All services were covered by a contract or

service agreement that the authorities were now in a position to renew or not as the performance of the authorities had improved, including the authority in Case Study 1, which is no longer subject to intervention orders. Finally, all four authorities expressed concerns about the future; however, this was not solely in relation to the involvement of the private sector. It was more to do with what was perceived to be more interference from government on the role and responsibilities of local authorities.

5.3 : CONCLUSION AND ISSUES

This section has three parts. The first considers the aims of the research and considers if the evidence from the literature review and case studies has enabled the aims to be achieved. The second provides initial conclusions based on the local context for each of the four local authorities and the outcomes from each of the four research questions. The third part sets out the issues that remain to be considered and the final section sets out the remaining issues to be considered in Chapter 6.

5.3.1 Aims of the Research

My research had three main aims: the first was to provide me with a better understanding of the theoretical concepts relating to public service and private enterprise, the second was to identify what benefits there have been in terms of performance outcomes from using the private sector and the third to understand why some successful local authorities have voluntarily engaged the private sector in the delivery of their services. I believe that the initial conclusions from my literature review and case studies provide evidence that I have achieved these three aims.

The first aim was to understand the theoretical concepts relating to public service and private enterprise. The literature review not only provided a chronological explanation of the changes in the development of government policy impacting on public services but showed that the changes implemented by successive governments were more to do with pragmatism than ideology. The second aim was to identify the benefits, in terms of performance outcomes, of using the private sector to deliver services. The case studies clearly show that engaging with the private sector lead to efficiencies in terms of service delivery. This was mainly due to authorities adopting business processes such as establishing contracts with measurable outcomes. The final aim was to understand why some successful local authorities have voluntarily engaged the private sector in the delivery of their services. The case studies also showed that not all local authorities saw the private sector as a solution. However, one that did saw benefits that included an ability to sell their services to other authorities thereby being able to retain and recruit staff in an expanding business. They also saw it as an opportunity to maintain control on how services were delivered within their own authority by having a share within the company delivering the services.

5.3.2 Initial Conclusions From the Research

In drawing initial conclusions there are two aspects to consider: the first is the local context and the second is the findings from the analysis of the interview questions for each of the four research questions.

5.3.2.1 Local context

From reviewing the local context of the four authorities it was possible to identify some correlation between the issues identified under political context and the outcome from the first Ofsted inspections. It suggests that the political leadership of an authority has a significant impact on the strategic leadership and decision making and therefore the quality of services provided to schools. Where political leadership is effective then it is more likely that the local authority will have high performing services.

5.3.2.2 Findings

a) Research Question 1

The literature review clearly shows that in the 1970s and 1980s there was dissatisfaction with the standard of education and concerns about the cost of public services. These factors were highlighted at the time because of the economic recession. The Conservative Government in the 1980s believed that the involvement of the private sector and the introduction of the concepts of the market place and choice would drive up performance. The Labour Government elected in 1997 continued to use the private sector in local authorities that were seen to be failing. The literature review suggests that one reason was because the private sector was already embedded in the system.

b) Research Question 2

The government believed that the private sector would ensure improvements in service delivery and, as the research shows, enacted intervention where performance

was judged poor. However, where an authority made rapid progress and there was a strong political will and self confidence the Secretary of State allowed the authority to continue delivering the services themselves. The evidence shows that it was confidence in the use of 'business' type systems that lead to an increased accountability, which in turn appeared to contribute to an improvement in the overall performance of the four authorities.

c) Research Question 3

It is not possible from the literature review or from the case studies to conclude that the use of the private sector to deliver educational services, nor in fact in-house provision, automatically results in improved school performance. However, the literature review did confirm that private sector approaches enabled schools and local authorities to maintain public accountability but the question still remains, was it the engagement of the private sector in delivering services or the private sector concept of the market place and competition that improved performance or was it another reason?

d) Research Question 4

The literature review set out the changing role of local authorities as a result of the increasing engagement of the private sector in delivering services. However, there was no evidence from the case studies that any of the authorities had relinquished their responsibilities for statutory functions to the private sector. There is therefore, no evidence to suggest that there had been a diminution of long term democratic

accountability even in the authority where the Secretary of State had required the outsourcing of the services to the private sector.

All these issues will be explored further in Chapter Six, which sets out the key themes arising from the research.

5.3.3 Issues That Remain to Be Considered

There are two issues that need to be reviewed before the final conclusions to the research can be considered. The first is about the longer term impact on the performance of authorities that use the private sector and the second identifies what questions have been raised that might need further research. These issues and the overall conclusion from the research are set out in the final chapter.

CHAPTER SIX

CONCLUSIONS AND RECOMMENDATIONS

INTRODUCTION

This chapter has six sections and draws to a conclusion all the aspects of my research. The first section summaries my research topic and why it was important to me personally and what influence and contribution the outcome might have locally, regionally and nationally in the way that local education services are delivered. The second section draws together the key aspects from my literature review and the third reviews my research design and appropriateness of my research questions. The key findings from my research are set out in section four. The fifth section highlights the issues that might be considered by future policy makers and local authorities in the delivery of services and lists questions that require further investigation and research. The final section provides an overarching summary and conclusion to my research.

6.1 : MY RESEARCH TOPIC

My research topic was and still is very relevant to my field of work as a Director of Children's Service in a local authority. The development and delivery of public services and the quality of that delivery is subject to debate at both local and national level. The government continues to see external inspection as a means to control the work of local authorities and more recently has strengthened the argument that more use should be made of both the private and voluntary sectors as the deliverers of services with local authorities as the commissioners. My research has therefore provided me with a very good opportunity to explore the impact on service delivery, outcomes and accountabilities when local authorities contract with the private sector

to deliver services. I now feel I have a deeper understanding of the issues relating to the use of the private sector within public services and, through the production of four in-depth case studies from local authorities with different outcomes from their initial Ofsted inspection, relationships with the private sector and performance outcomes, I am now able to add to the knowledge in this field.

The information I have gained will enable me to provide more informed advice to local councillors about the future provision of services within my own authority. It will also help me, and hopefully other readers, to provide better informed judgements when taking part in the current debate regarding the establishment of regional consortium to deliver services. The outcomes from this research will enable me to more effectively contribute to the national debate about the future role of local authorities through my professional association and my links to both regional and national government agencies. It will also support further discussion and debate by fellow professionals in local authorities, researchers and policy makers about the implications of the current legislative framework on the future delivery of public services.

Finally, I recognise that all four local authorities involved in the case studies benefited from the involvement of private sector practices and I need to be able to reflect that learning in my own evaluation of the services currently provided within my own authority.

6.2 : KEY FINDINGS FROM THE LITERATURE REVIEW

In completing my literature review I gained a much deeper knowledge of the significant economic and political changes that have occurred in England since the end of the World War II and have impacted on the development of education policy. I also developed my understanding of the fundamental concerns about the performance of public education systems both in England and in the United States of America, which were seen to be failing, and noted that there was a reasonable level of agreement from the authors about the reasons for that failure. Schools were no longer seen as providing pupils with the right level or type of skills required by employers as the world entered the 'post-Fordism' era. It was clear from the literature review that changes would have to be made and as government tackled the pressures being felt in the economy that inevitably led to the subsequent politicisation of education.

On both sides of the Atlantic there was a debate about the solution to the failing education system. The British government introduced legislation that introduced the concepts of choice and competition as a means to improve performance and although Chubb (1990) and Tooley (1993, 1995) believed that schools should operate in a market place they argued that they should not be subject to control by the state as the concepts of competition and choice would in themselves be sufficient to drive up standards. However, I found the Conservative Government, whilst introducing the concepts of competition and choice in the implementation of the ERA, maintained a highly centralised state system. Ranson's (1993, 1995) argument was that neither were right and what was needed was a "participatory model of governing local

education rather than a market" (p349). However, the development of right wing policies through the 1990s continued to see more private sector practices introduced into the state system, in the form of 'managerialsim' as the Conservative Government struggled to ensure that improvement in school performance continued to be made.

A Labour Government was elected in 1997 and perhaps surprisingly introduced policies that were not only seen to continue the previous government's ideas, including a belief in the benefits of the private sector, but also sought to maintain the concept of a market through their requirement for the private sector to be engaged to deliver services in many of the authorities that failed their Ofsted inspection. The literature review revealed that this decision, however, had more to do with pragmatism than political ideology and this was confirmed in my interviews with those employed by the government agencies. However, the Prime Minister's Office publication (OPSR 2002) set the scene for further pressure on pubic services to provide more choice, devolve responsibility to communities, raise standards and be more flexible in approach. Recent research reported in a special edition of the Educational, Management, Administration and Leadership publication (EMAL 2008) not only confirmed my earlier analysis of the impact of the legislative changes made in the 1980s but also provided further confirmation about the need for debate about the delivery of public services and what leads to sustained improvements. What is clear is that the use of the private sector in delivering public education services is here to stay.

On a personal level an important finding from undertaking my literature review was that I needed to be more reflexive in my approach to research. It was only when I gained a better understanding of my own values and beliefs and widened my literature review to include a greater range of views that I was better able to review my research questions and so produce research that I believe "can make fully justified claims for its own significance … and meaning" (Mason 2002 p.1).

6.3 : RESEARCH DESIGN AND QUESTIONS

The use of the matrix designed by Mason (2002) helped me to create an effective research strategy that enabled me to carefully evaluate my research method so that the outcomes from my field work would further my understanding of the issues I wished to investigate.

By analysing my research design I was able to able to feel positive that undertaking interviews would be the most appropriate way to gather information. Through my review of Walford's (1994) and Platt's (2001) research I gained a clear understanding of the complexities and ethical issues that could arise when as an elite I interviewed other elites and modified my approach accordingly.

Creating case studies for each of the authorities, which I had carefully selected from an analysis of Ofsted reports and the work undertaken by Bannock Consulting (2003), enabled me to better understand differing local contexts in which the decisions about the use of the private sector to deliver services had been made. My selection of interviewees was effective because it enabled me to gain the views of the

government agencies that had been involved in inspection and monitoring and from key decision makers and influencers in each of the four authorities. The research design I believe was fit for purpose.

6.4 : REVIEW OF RESEARCH FINDINGS

Five key findings arose from my research. Firstly, that there is no long-term detrimental impact on the democratic accountability of a local authority when the private sector deliver services; secondly, effective political and senior officer leadership is a critical factor in determining the quality of a local authority's performance; thirdly, the use of private sector practices improves the efficiency of local authority services though their impact on school improvement through the engagement of the private sector is less clear; fourthly, inspection regimes have been a catalyst for improving the performance of local authorities; and finally, that successive governments since the late 1970s, have used a mixture of political ideology and pragmatic solutions to improve public educations services.

6.4.1 Democratic Accountability

I posed the question as to whether or not democratic accountability, that is the power and responsibility of locally elected councillors, was compromised when the government intervened and contracted the private sector to deliver education services. My literature review revealed that the Labour Government (OPSR, 2002) saw public services as being accountable to those who use them through the 'local town hall'. My concern was that the use of the private sector took away this accountability from locally elected councillors.

However, I found that there was no evidence from my case studies to indicate that there is any long-term detrimental impact on democratic accountability within a local authority that is either required to or voluntarily engages with the private sector to deliver services. Although, in certain circumstances, there was some initial loss of accountability.

My research clearly shows that in authorities that voluntarily invited the private sector to run services, there was no loss of democratic accountability. As in Case Study 4, the local councillors were very much involved in the setting up of the joint local authority - private sector company and were wholly responsible to their electorate for the resulting outcomes. As a result of government intervention there was some loss of democratic accountability in local authorities that had failed their Ofsted inspections. As seen in Case Studies 1 and 2, the local councillors had no say in the choice of private sector company or in the setting of the contract to deliver services and monitoring of the contract was the responsibility of DfES. However, this loss of local accountability can be relatively short term as power and responsibility is returned to local councillors once sufficient improvements have been made and they then monitor the contract and establish any future ones. The time taken for this to happen was seen to be related to the quality of leadership within the local authority. It took as little as six months in Case Study 2 but three years in Case Study 1, where insufficient progress had been made by the time the authority was first re-inspected.

The next finding further highlights the importance of the quality of the leadership and decision making of elected members and senior officers in creating a successful local authority.

6.4.2 Quality of Political Leadership

My second key finding was that the quality of both the political and senior officer leadership was a key factor in ensuring the effectiveness of a local authority's education services as judged by Ofsted.

Evidence from the Ofsted reports on my chosen local authorities and from my case study interviewees confirms that it is the effectiveness of the elected members and senior officers that is a significant factor in ensuring the quality of the educational provision of the local authority. There was no evidence to suggest that the political views of the elected members who had overall control of the local authority had any impact on whether the authority was successful or not. At the time of my research Liberal Democrats were in power in Case Studies 1, 2 and 4 and the Conservatives in Case Study 3. None of the local authorities I visited happened to be under Labour control. In Case Study 4, where there was a change in the political party controlling the authority between its two inspections, Ofsted reported on both occasions that it was a good local authority with strong leadership.

In the local authorities that were seen to be failing (Case Studies 1 and 2) Ofsted found evidence of poor leadership and monitoring that included a lack of a decision making and no clear vision by elected members and poor strategic leadership from

senior officers. Ofsted commented on the poor leadership by elected members in Case Study 1, where a history of successive political parties taking control led to political instability, and that this led to the "virtual paralysis in decision making" that "handicapped practical action on education". The interviewees blamed the authority's weakness on the fact that there was no consensus even within the controlling party of the council. The current lead councillor said that the authority had been unable to decide priorities across services let alone within the services themselves. In Case Study 2, Ofsted reflected on the inadequate support from members, poor planning and failure of local councillors to take some hard decisions firmly or quickly enough. This criticism was supported in the responses from the interviewees who provided evidence about the lack of progress in dealing with surplus school places, an unwillingness to take decisions about appropriate youth service provision, spending below SSA on education and a lack of a shared vision between the authority and the schools leading to a lack of clarity in how, for example, to tackle underachievement of schools. Concern about political leadership was also expressed in Case Study 3 when Ofsted reported that the political turmoil between inspections had deflected the attention of members and officers. This led to the judgement on leadership dropping to unsatisfactory.

There was further evidence from the case studies that where there is ineffectual leadership from officers this also impacts on the overall performance of the local authority. For example, in Case Study 1, an interviewee recounted that "officers failed to provide a strategic overview of direction", which led the authority into "financial difficulties" and a decline in the quality of council staff. In Case Study 2,

an interviewee recalled that a "vote of no confidence" had been taken as a result of the inability of the local authority to support its schools in "financial management". The interviewee blamed the "upper tier" of officers for a "lack of ability" and no "shared vision" with its schools. In both Case Studies 1 and 2 new leadership teams were established with senior staff that were seen to have the capability to make the necessary changes to the organisation in order to improve the performance of both the schools and the local authority.

My research found that the characteristics of improving and successful local authorities, as seen by Ofsted and the interviewees in the case studies, includes reference to: a clear vision and effective leadership and decision making and use of scrutiny through the modernisation of local authority committee structures; effective performance monitoring procedures; good working relationships between members, officers and schools and a clear understanding of priorities.

The next finding explores how the use of private sector practices improved the efficiency of local authority services although the impact on school improvement remains less clear.

6.4.3 Improvements in Services

My research into the performance of education services where local authorities engaged with the private sector provided my third key finding but also raised further questions. My case studies clearly showed that the use of private sector practices led

to improvements in the management of local education authority services but they did not provide conclusive evidence of this leading to school improvement.

In my literature review I explored, through considering the views of a range of authors, the issues regarding the relationship between successful schools, the use of the private sector and the involvement of the 'state'. Some, Chubb and Moe (1990) and Tooley (1993) for example, saw the use of the private sector through 'competition' and the 'market place' improving the performance of schools. However others, such as Ranson (1993, 1995, 2008), argued that the concept of the market place as a way to improve educational performance was "intrinsically flawed" (p334).

In Case Studies 1 and 3, the use of the private sector and its practices, such as performance management and target setting, brought about clear improvements in the performances of the two local authorities as shown by the analysis in Table 5a (p 172), which for example, showed that the authority in Case Study 1, which had 'formidable' weaknesses, became 'highly satisfactory'. Case Study 2, however, suggested that it was in fact the use of the private sector practices rather than the private sector itself that led to improvements. Here the local authority adopted private sector processes and improved its performance such that it became a 'good' authority (Table 5a, p172). Even in Case Study 4, where the authority was already high performing, the director admitted that he was surprised that his services were tangibly improved by using private sector processes. The evidence from the case

studies clearly shows that the use of private sector processes is a catalyst for improving the efficiency of service delivery.

Ofsted see a clear link between the performance of a local authority and the success of its schools as school performance is one of its criteria for judging the effectiveness of an authority (Appendix 1.1). Two local authorities that were judged to be failing (Case Studies 1 and 2) during the period of my field work were criticised by Ofsted not only for weaknesses in strategic leadership and decision making and poor delivery of services but also for the number of schools that Ofsted judged to be failing. Case Study 3, although judged as satisfactory, was also criticised for its number of 'failing' schools and moved very quickly to engage with a not-for-profit organisation to delivery its school improvement services before its next inspection. While the local authorities in my research showed improvements in efficiency, there is no conclusive evidence to show that there were significant and sustained improvements in the educational performance of their schools. There is, however, evidence from the analysis of my interview questions (Table 5e, p184) to show that in Case Studies 1, 2 and 3 concerns continued to be expressed about the lack of impact on school improvement. The APA Scores (Table 5b, p166) for Case Studies 1,2 and 3 show that by 2008 although all three local authorities had improved their overall judgement from Ofsted since their last full inspection there were still some residual concerns about the performance of schools

The next finding shows that external inspections were a catalyst for improving the performance of local authorities.

6.4.4 Inspections as a Catalyst for Change

My fourth key finding was that the introduction of local authority inspections by Ofsted and the publication of their results was seen as a catalyst for change and has in itself led to improvements in the overall performance of local authorities. The introduction of local authority inspections in 1997 established a framework that set the standards that local authorities were judged against and as the results were published they ensured that local authorities were held publicly accountable for the quality of their services.

The interviewees in my research confirmed that the inspections had introduced an external challenge and evaluation into the way that local authorities were led and managed. For example, the Ofsted interviewee said, as might be expected, that the improvements in the performance of local authorities had been made because of the "rigour of inspection". However, this view was reinforced by the DfES interviewee who said that, "in a sense the system improved itself" by benchmarking its performance against others and realising there were a set of standards that needed to be met in delivering services.

Those inspected also saw benefits. Case Study 2 provides a good example of how an authority did not recognise its failings until it was inspected. The lead councillors stated that until Ofsted inspected their services they "did not know there was a better world out there". As a result of their inspection outcome, the authority was fired into action and were determined that they would not fail again. In Case Study 3, all the interviewees were very clear that the threat of a forthcoming re-inspection was the

trigger to develop their school improvement services through the engagement of an external provider. In Case Study 1, where the authority refused to recognise its failings, it was the headteacher who commented on the impact of the inspection as a catalyst for improvement. He welcomed the Ofsted report and spoke of the views of others, who felt the authority was in a poor state and that things needed to change.

My final key finding provides an answer to my research question as to whether it was ideology or pragmatism or something else that led to the development of government policy towards education.

6.4.5 Ideology and Pragmatic Solutions

My final key finding shows that the two successive governments since the late 1970s have both used a mixture of political ideology and pragmatic solutions to improve public educations services. At the beginning of my research I asked the question, "Were their policies based on a political ideology or pragmatism or something else?" My research clearly shows it was something else, in fact a mixture of ideology and pragmatism.

The Conservative Government that came into power in 1979 introduced policies that were based on ideology taken from the public choice theorists who believed that competition and choice were mechanisms to drive up performance and increase efficiencies. One of the outcomes was the implementation of ERA, which introduced the concept of the market place and competition between schools. My literature review showed that the Conservative Government believed that these principles,

which were seen to have led to improvements within the private sector, would lead to improvements in education.

However, the Conservative Government in developing its polices also had to take a pragmatic approach to provide "solutions to a number of contemporary problems" (Greenwood et al 2002, p213). As a consequence, they introduced changes that moved them away from the pure political ideology of the choice theorists and introduced policies that gave more power to the state. For example, in 1994 Prime Minister John Major felt that their policies were not leading to the improvements in education that the government had expected so he introduced a national curriculum and managerialsim. These two policies not only controlled what was taught in schools but also created mechanisms to judge the performance of schools and the quality of teaching staff, making schools more publicly accountable for their performance through, for example, the publication of examination results as league tables. Managerialism, based on private sector practices, introduced the requirement to set targets for staff who were assessed through formal performance appraisals and a rewards policy through performance related pay.

Conservative Government policies had moved from ones based on ideology to a mix of ideology and pragmatic solutions that saw the creation of both the market place in education and stronger state control.

The Labour Party came into power in 1997 with its traditional ideology of a "concern with equality". The new government wanted to "build a strong and stable economy"

as they believed that without a successful economy they would not be able to "deliver the sustained investment" (OPSR 2002, p4) that they believed public services needed. Expectations of a Labour Government might have been to see the policies implemented by the previous government repealed, because as a socialist party its ideology would be to support public services rather than private enterprise. In actual fact the Conservative Government's policies were not only adopted but also developed. My literature review confirmed that this decision to adopt Conservative policies was in fact more about achieving pragmatic solutions to the concerns about the effectiveness of service delivery rather than concerns about political ideology.

The policies the Labour Government inherited in 1997 had embedded the concept of competition and the market place and Tony Blair, the new Prime Minister, recognised that there was now a strong consumer culture that brought expectations of even greater choice. The traditional Labour Party ideologies were severely tested but the Prime Minister identified that there had been fundamental changes in the way public services worked but pledged to return to a "pursuit of social justice" (Whitty 2008, p171).

The publication by the Prime Minister's Office (OPSR 2002) pressed forward a view that the old ways of the welfare state needed to be reviewed as they had actually created some of the problems being faced by the new government. The OPSR (2002) set out very clearly that the Labour Government was going to use the concepts of choice and competition as a means to improve public services and to drive down costs. However, they took a different approach to the Conservatives for example, by

replacing CCT with Best Value, which changed the notion of awarding contracts to the "lowest bidder" (Ball 2008 p188) to one where quality was also deemed important. Their new policies also ensured a strong role for the state.

My literature review revealed that the there was an "air of inevitability in the increased influence and use of the private sector" (Bottery 2005, p268). The Labour Government introduced legislation that provided more opportunities for the private sector to delivery public services, for example, through PFI schemes and in enabling local authorities to contract with the private sector by out-sourcing their services. The 1998 Schools and Framework Act (DfES 1998) maintained the strong role of the state by enabling the Secretary of State to intervene in the running of local authorities that were seen to be failing through bringing in private companies to manage them or, in a more recent case, removing the authority's senior officers and replacing them with their own appointees (DCSF 2008 [a], DCSF 2008 [b].

Evidence from my interviews supports this idea that the Labour Government recognised the need to implement pragmatic solutions. The Ofsted interviewee felt that "the [Labour] government needed to look for something new". The DfES interviewee stated there was already an "agenda of public choice" and as private sector organisations were already working in the public sector the government felt they should "use their expertise". Another view expressed by the Audit Commission interviewee was that there was a political view that the private sector was better at delivering services.

Labour Government policies were not as expected based purely on traditional socialist ideology but were pragmatic solutions that adopted both the concept of the market place and competition in education whilst at the same time maintaining strong state control.

6.5 : ISSUES FOR CONSIDERATION

There are two issues that need to be reviewed before the final conclusions to the research can be considered. The first is about the longer term impact on the performance of a local authority that uses the private sector and the second considers what other questions have been raised that might lead to further research.

6.5.1 Long Term Impact of Using the Private Sector on Performance

Although it is possible to access the recent performance judgements about each of the local authorities in my case studies from the Ofsted website, my research has not taken into account the impact of the long term involvement of the use of the private sector in delivering local education services. This is an area that needs to be considered before conclusive judgements can be made. The research to date has shown that there are a number of factors that influence the success or otherwise of the local authority performance. However, apart from examples when intervention powers are used, local authorities are free to exercise choice on how to deliver their services. It is important before secure judgments are made to consider the longer term impact not only on service efficiency, which has been seen to be improved, but also on school performance where evidence is not conclusive.

6.5.2 Questions for Further Research

The most significant question that has arisen from the research itself relates to the issue identified above. What long term impact has there been on the delivery of educational services, particularly those that relate to improving school performance, following the engagement of the private sector? However, there are also other questions that have emerged. My fieldwork research captures a period in time of the early 2000s when further changes for local authorities were being considered by central government. These were mentioned within the fieldwork but not explored in detail. These included the implications of the implementation of the Children Act (DfES, 2004) and the impact of new inspection arrangements for local authorities including an APA and a new Ofsted inspection regime for local authorities covering all of children's services called a Joint Area Review (JAR). These developments lead to the identification of further new questions that need to be explored and include:

- Are there conflicting messages in the current government's policies for the delivery of children's services between promoting individual choice, encouraging local partnerships and retaining a 'strong state' and what impact do they have on the roles and responsibilities of local authorities and their ability to improve the performance of public services?

- What is the relationship between successful local authorities and successful schools?

6.6 : OVERARCHING CONCLUSION

In setting out the chronology of the economic and political events from 1944, I recognised that the implementation in 1988 of ERA by the Conservative Government changed for ever the relationship between local government and its schools. I found that the prevalent ideology of the policy makers at that time was that the market place and competition would improve the performance of state schools. Legislation during the late 1980s and 1990s brought about not only Ofsted inspections, which we now use to judge the success of both schools and local authorities, but also provided opportunities for schools and local authorities to engage with the private sector to deliver services. The Labour Government elected in 1997 was concerned about many aspects of public service provision, including cost and quality. My research found that initially the Labour Government's continued use of the private sector was seen more as a pragmatic than ideological response, but twelve years on the concept of competition and choice has become an integral part of their policies and approach to improving the performance of public services. Resulting in a conclusion that the promotion of the use of the private sector has been both pragmatic and ideological.

My research, through the analysis of the judgements from Ofsted inspection reports of local authorities and my field work, has clearly shown that poor political leadership results in poor local authority performance and so failure in delivering educational provision. However, I found that the inspection of local authorities was seen as a catalyst for change and in itself led to improvements in the overall performance of local authorities. My research also showed that the use of the private sector, or at least its management processes, led to more efficient local authority

services and better performance management systems. Although I found insufficient evidence to be able to conclude that these improved efficiencies in service delivery led consistently to sustained and significant improvements in school and local authority performance.

My concern that the increased use of the private sector in public education services would lead to a reduction in democratic accountability has not been shown to be the case. My case studies clearly showed that accountability is ensured whether the services are provided by the local authority or outsourced.

Finally, I believe it is evident from the research that, against a background of greater use of the private sector in delivering public sector services and the changing role of local authorities, it is essential that all local government managers carefully reflect on how services are delivered to ensure they are not only efficient but also provide effective sustainable outcomes for the communities they serve.

APPENDICES

A brief background to the Ofsted Inspections of local authorities introduced following the Education Act (DfEE 1997).

The Ofsted Inspection Framework

In 1988, following the implementation of the 1997 Education Act (DfEE 1997) the government introduced a system of inspections of LEAs. These inspections were carried out by the Office for Standards of Education (Ofsted) in conjunction with the Audit Commission. The framework for the first inspections of local authorities involved a two stage approach and included an initial review to establish the LEA's context, the performance of its schools, its strategy and the management of services. The second stage which was carried out a few months later involved studies of particular aspects of the LEA's work through visits to schools. The inspection framework was amended over succeeding years until 2006 when it was replaced by the JAR to reflect the new responsibilities for local authorities in delivering Children's Services (DfES 2004). However during the period 1997-2006 the concept of the inspection, which was to judge the effectiveness of the LEA, remained the same and involved a review of evidence gathered from a variety of sources including the analysis of the authority's strategic documents, audit reports, other inspection reports including those of schools, questionnaires, meetings and visits to schools.

The Ofsted inspections provided an external examination of the way local authorities were run including the role and impact of the local elected councillors. There was a scoring system for each aspect of the local authority's services. A score of 1 meant

that the local authority's performance was outstanding and a score of 7 meant that the performance was unsatisfactory. The government's response to those authorities that were deemed to have unsatisfactory services was to require intervention into how the authority was managed. This was often done by engaging with a private sector company to deliver services through a contractual arrangement. In some instances the government agreed to peer support from other local authorities that were judge to be performing well but in certain circumstances the government allowed the authority to continue to deliver the services themselves following a period of both peer support and involvement of private sector consultants. Following the Ofsted inspection all local authorities had to develop actions plans to ensure that the improvements against the areas of weakness or service developments that had been identified could be monitored. For those local authorities subject to intervention, the DfES's School Effectiveness Unit was responsible for the performance monitoring processes and local monitoring boards were established. These routinely comprised of academics, consultants and other local partners including those who were required to provide both support and challenge to the local authority to ensure that progress was made.

A brief background to the Annual Performance Assessment (APA) of local authorities introduced as part of the Education and Inspections Act 2006 (DfES 2006).

Ofsted is required by Section 138 of the Education and Inspection Act 2006 to undertake an annual review of each council's children's services and to award a performance rating for them. The APA discharges these duties and they were carried out for the first time in 2005 by Ofsted and the Commission for Social Care and Inspection as part of a new improved system for the integrated inspection, assessment and review of children's services. On 1 April 2007, the new Ofsted assumed responsibility for social care aspects of children's services.

The APA data set is presented under the five 'Every Child Matters' outcomes for children and young people and service management with an overall judgement. The five outcomes are:

- Being healthy
- Staying safe
- Enjoying and achieving
- Making a positive contribution
- Achieving economic well-being

There is a 4 point scoring scheme: 4 is outstanding, 3 good, 2 adequate and 1 inadequate.

Analytical Framework – Local Authority Inspections

Ofsted judgement	Type of intervention or involvement of the private sector			
	Intervention by private sector - required by DfES response to Ofsted report	**Intervention by peer group -agreed by DfES response to Ofsted report**	**Involvement of private sector - a response to the outcome of Ofsted report**	**Involvement of private sector - through choice**
Strengths outweigh weaknesses				East Sussex Hampshire Hertfordshire Newham Surrey Tower Hamlets Warwickshire Worcestershire
Weaknesses outweigh strengths	Bradford Hackney Haringey Islington Leeds Sandwell Southwark Walsall Waltham Forest	Bristol Derby City Doncaster Dudley Leicester City Liverpool Rotherham	Bedfordshire Cumbria Devon Essex Havering Lincolnshire Middlesbrough Milton Keynes Northamptonshire Thurrock Wirral	

Research Questions

- Why did the Conservative Government of the 1980s and 1990s and the current Labour Government promote the use of the private sector in delivering public services?

- Why did some LEAs actively seek partnerships with the private sector to deliver LEA services and functions?

- What effect has there been on the performance of the education services where local authorities engaged with the private sector?

- What has been the effect on governance and public accountability when functions of an LEA are delivered by the private sector?

Appendix 3.1: Research Design (Based on Mason, 2002)

Research Questions	Data Sources and Methods	Justification	Practicalities	Ethical Issues

Why did the Conservative government of the 1980s and 1990s and the current Labour government promote the use of the private sector in delivering public services?	• Literature search – literature review
	• Government reports and other data – literature review
	• Unpublished data – literature review
	• Ofsted reports – analysis
	• Stakeholder – interviews
		• A literature search will help to identify published texts that have explored the issues relating to private/public sector. It will lead to a literature review that considers the theoretical aspects of this research topic.
		• Searching for publications, including unpublished data, will provide information from a variety of primary sources to enable further information to be gathered including national and local political perspectives.
		• An analysis of the primary source data, including LEA Ofsted reports, using a typology will help in classifying the data and in the selection of the LEAs to be included in the research.
		• Stakeholder interviews will provide a unique opportunity to get first hand accounts on the role and perceptions of the private sector and to seek evidence on effective outcomes.
			• Literature Search -it is important to ensure that both right and left wing texts are included in the literature search;
			• Published data - a great deal of material is available and it will be important to keep the search focused on significant developments;
			• Analysis - ensuring that the most up to date source is available;
			• Interview issues include:
			  1. access
			  2. willingness to take part due to time pressures
			  3. confidentiality
			  4. my own time pressures
			  5. choosing a private sector to interview
			  6. interviewing elites as an elite
			• Choosing a method of analysing the interview data.
				• Purpose of research;
				• Who would be interested in the research;
				• Implications for others;
				• Implications for me as a professional in the field of leadership.
				
				• Confidentiality/anonymity
				• Consent
				• Power relationship
				• Conscious role-playing
				• Reader interpretation
				• Right to withdraw

Why did some LEAs actively seek partnerships with the private sector to deliver LEA services and functions?	• Stakeholder – interviews	• Stakeholder interviews will provide opportunities to seek the views of those in elite positions, including policy makers, on their views of the future.	• Interviews - issues as above	• Interviews - issues as above

Appendix 3.1 Continued : Research Design

Research Questions	Data Sources and Methods	Justification	Practicalities	Ethical Issues
What effect has there been on the performance of the education services where local authorities have engaged with the private sector?	• Ofsted reports – analysis • Stakeholder – interviews	• An analysis of the primary source data including LEA Ofsted reports using an analytical framework will help to classify the data and help in the selection of the LEAs to be included in the research. • Stakeholder interviews will provide first hand accounts of why some LEAs have actively sought partnerships with the private sector this will contrasted with the evidence from LEAs who have not used private sector partnerships.	• Analysis - as above • Interviews - as above	• Interviews - as above
What has been the effect on governance and public accountability when functions of an LEA are delivered by the private sector?	• Literature search – literature review • Stakeholder – interviews	• An analysis of current published texts and unpublished documents and reports will enable an analysis to be undertaken to identify the extent of private sector involvement in LEAs and speculate using the evidence from the research about the future trends. • Stakeholder interviews will provide first hand accounts of current governance and accountability issues and enable a comparison to be undertaken between those LEAs that have engaged with the private sector and those that have not.	• Literature search - as above • Interviews - as above	• Interviews - as above

Fieldwork Questions – Case Studies
(The letter A relates to the first research question, B to the second and so on)

Case Study 1
A1 Following the Ofsted Inspection in 1999 and an agreement reached between ministers and elected members in May 2000, to establish a private sector partnership, xxxxx were appointed in July 2001 under the direction of the Secretary of State as a contractor to strengthen key areas of the LEA's services. Can you outline the key factors which you think led to the results of the 1999 Ofsted judgement?
A2 Why do you think the Secretary of State felt the need to direct an intervention?
A 3 Why do you think the decision was made to engage the private sector and not seek some other form of help and support through, for example, a partnership with a successful LEA? Who made that decision?
A4 What were the views of Members/Officers/Headteachers/Governors?

B1 Why was it thought that partnerships with the private sector would deliver better services than those delivered by the council?
B2 What benefits do you think have been gained from the partnerships with the private sector?
B3 Could those benefits have been achieved in a different way? If no, why and if yes, in what way?
B4 Have there been any dis-benefits from working with the private sector?
B5 Has the contract meant a need to increase the expenditure on education services?

C1 How is the performance of the contract with the private sector measured?
C2 Have the education services improved? If yes, what criteria have been used to judge effectiveness?

D1 What impact do you think the involvement of the private sector has had on your role and responsibilities and that of the local authority?
D2 What is your assessment on the effectiveness of that involvement?
D3 What impact has there been/do you think there has been on the democratic accountability in this local authority having engaged private sector in the delivery of some services to schools?
D4 What benefits do you think the Government sees from the engagement of the private sector in public sector services?
D5 Looking to the future, how do you think your relationship with your private sector provider will change?

Case Study 2
A1 In 1999 the Secretary of State brought forward the Ofsted Inspection of xxxxx because of concerns regarding in particular support for literacy, provision of school places and the LEA's support for schools in special measure and with serious weaknesses. Although some strengths were identified Ofsted reported in May that weaknesses outweighed strengths and additional areas of concern were identified.

Can you outline the key factors which you think lead to the results of the May 1999 Ofsted judgement?

A2 In other authorities that at that time were judged not to be providing an adequate educational provision the Secretary of State felt the need to direct an intervention by a private company. Why do you think that did not happen in xxxxxx?

A3 Who was involved in agreeing that decision?

A4 What were the views of Members/Officers/Headteachers/Governors?

B1 Consultants undertook an interim report in July 1999 and a further report in December 1999. Who did they report to?

B2 What was the rationale behind the decision to use consultants?

B3 The consultants recommended that an independent board be established**.** Who was on the board, what was its function and who did it report to?

B4 Why do you think the proposed outsourcing at that time did not go ahead?

B5 Do you think that greater progress could have been made if there had been a partnership with the private sector?

B6 If no, why not? If yes, could those benefits have been achieved in a different way?

C1 How was the performance of the local authority measured?

C2 The Ofsted Inspection in 2003 reported that xxxxx is now a good LEA. What do you think lead to this judgement?

C3 Does the strategic monitoring group still meet? Can you identify the main achievements of this group?

D1 Looking back do you believe that the right approach was taken to ensure the improvement of educational services? If yes, why? If no, what approach should have been taken?

D2 Are any education services now being delivered by the private sector?

D3 Can you outline the reasons for the decision?

D4 What do you think are the benefits from that decision?

Case Study 3

A1 In 2000 and 2002, xxxxx CC entered separate partnerships with xxx and xxx for the delivery of services to schools. Who was the driving force for this initiative?

A2 What was the rationale for the decision to look for a partnership involving the private sector?

A3 What were the views of Members/Officers/Headteachers/Governors/DfES?

B1 Why was it thought that partnerships with the private sector would deliver better services than those delivered by the county council?

B2 What benefits do you think have been gained from the partnerships with the private sector?

B3 Could those benefits have been achieved in a different way? If yes, in what way?

B4 Have there been any dis-benefits from working with the private sector?

C1 How is the performance of the two contracts with the private sector measured?

C2 Have the education services improved? If yes, what criteria have been used to judge effectiveness?

D1 What impact do you think the involvement of the private sector has had on your role and responsibilities and that of the local authority?
D2 What is your assessment on the effectiveness of that involvement?
D3 What impact has there been/do you think there has been on the democratic accountability in this local authority having engaged private sector in the delivery of some services to schools?
D4 What benefits do you think the Government sees from the engagement of the private sector in public sector services?
D5 Looking to the future, how do you think your relationship with your private sector provider will change?

Case Study 4
A1 In April 2004, xxxxx entered a Joint Venture partnership with xxxxx for the delivery of services to schools. Who was the driving force for this initiative?
A2 What was the rationale for the decision to look for a partnership involving the private sector?
A3 What were the views of Members/Officers/Headteachers/Governors/DfES?

B1 Why was it thought that a partnership with the private sector would deliver better services than those delivered by the county council?
B2 What benefits do you think have been gained from a partnership with the private sector?
B3 Could those benefits have been achieved in a different way? If yes, in what way?
B4 Have there been any dis-benefits from working with the private sector?

C1 How is the performance of the contract with the private sector measured?
C2 Have the education services improved? If yes, what criteria have been used to judge effectiveness?

D1 What impact do you think the involvement of the private sector has had on your role and responsibility?
D2 What is your assessment on the effectiveness of that involvement?
D3 What impact has there been/do you think there has been on the democratic accountability in this local authority having engaged private sector in the delivery of some services to schools?
D4 What benefits do you think the Government sees from the engagement of the private sector in public sector services?
D5 Looking to the future, how do you think your relationship with your private sector provider will change?

Fieldwork Questions – Government Agencies
(The letter A relates to the first research question, B to the second and so on)

Ofsted

A1. Looking back to the introduction of the LEA Ofsted Inspections and the first few inspections that identified that some LEAs were 'failing' to deliver a satisfactory education service where were the decisions made to involve the private sector?
A2 What monitoring arrangements were put in place by the DfES/AC to measure effectiveness of the private sector contract?
A3 What arrangements were made to evaluate outcomes of the different strategies of intervention e.g. Southwark and Liverpool?
A4 What is your overall view of the effectiveness of the private sector's involvement in LEAs that were judged by Ofsted to be less than satisfactory?

B1. What impact do you think the involvement of the private sector has had on the roles and responsibility of local authorities?
B2 What impact has there been/do you think there has been on democratic accountability in the local authorities that have engaged the private sector?
B3 What impact do you think the government's drive to involve the private sector in public sector services in some local authorities has had on the current shape of local authorities?
B4 What benefits do you think the government see from the engagement of the private sector in public sector services?

C1 Why do you think some LEAs have actively sought partnerships with the private sector for the delivery of LEA services and functions?
C2 What benefits do you think are/have been gained from a partnership with the private sector?
C3 Could those benefits have been achieved in a different way? If yes, in what way?

D1 What impact do you think there has been on local governance in the LEAs where the private sector are involved?
D2 Are you aware of questions/concerns raised by stakeholders in those LEAs which engage the private sector?
D3 Can you describe what you think the impact on performance would be if more local authorities outsourced more functions to the private sector?
D5 What do you think the government's long term view of the delivery of local based public services?

Audit Commission
A1. Looking back to the introduction of the LEA Ofsted Inspections and the first few inspections that identified that some LEAs were 'failing' to deliver a satisfactory education service where were the decisions made to involve the private sector?

A2 What monitoring arrangements were put in place by the DfES/AC to measure effectiveness of the private sector contract?

A3 What arrangements were made to evaluate outcomes of the different strategies of intervention e.g. Southwark and Liverpool?

A4 What is your overall view of the effectiveness of the private sector's involvement in LEAs that were judged by Ofsted to be less than satisfactory?

B1. What impact do you think the involvement of the private sector has had on the roles and responsibility of local authorities?

B2 What impact has there been/do you think there has been on democratic accountability in the local authorities that have engaged the private sector?

B3 What impact do you think the government's drive to involve the private sector in public sector services in some local authorities has had on the current shape of local authorities?

B4 What benefits do you think the Government see from the engagement of the private sector in public sector services?

C1 Why do you think some LEA(s) have actively sought partnerships with the private sector for the delivery of LEA services and functions?

C2 What benefits do you think are/have been gained from a partnership with the private sector?

C3 Could those benefits have been achieved in a different way? If yes, in what way?

D1 What impact do you think there has been on local governance in the LEAs where the private sector are involved?

D2 Are you aware of questions/concerns raised by stakeholders in those LEAs which engage the private sector?

D3 Has the AC discussed local governance outcomes with local politicians or other agencies? If yes, what are the main issues of concern? If no, is it something that the AC is concerned about?

D4 Can you describe what you think the impact would be if more local authorities outsourced more function to the private sector?

D5 What do you think the Government's long term view of the delivery of local based public services?

DfES

A1. Looking back to the introduction of the LEA Ofsted Inspections and the first few inspections that identified that some LEAs were 'failing' to deliver a satisfactory education service where were the decisions made to involve the private sector?

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Interview with Lead Member
Large Metropolitan City
I = Interviewer
LM = Lead Member

(Note: Introductions and the discussions to set the parameters for the interview explained in the letter interviewees received were not recorded. The tape started with asking the interviewee to set the scene for the authority for the time leading up to the authority's first Ofsted Inspection. The transcript has also been anonymised and names replaced by xxx.

I	I would like you to do is look back to 1999 and then move forward to the current situation.
LM	I was the Deputy spoke person for Education from 1993 to 95 when we were in opposition and the Spoke Person from 95 to 98 and then we took over the Council in 98 and inherited an incredible mess. A lot of people took it as and ever since have take it as you know political rhetoric, well they would say that you know because it was a different party, but I don't think people have any conception of the depth of the mess we inherited and I have to say education wasn't the worst Social Services was unbelievable, housing was bloody awful as well.
I	What do you think led to the outcome from the 1999 inspection?
LM	There were a number of factors, I mean it was frustrating for us in opposition because we kept raising certain issues that came onto our radar which when we were inspected for the first time by Ofsted in 1999 it sort of pointed up that we had been on the right track in a lot of cases. Basically, I think it was a political administration which was spineless and bereft of talent, if I'm honest, which I always try to be and I always said that we only have to be average to look outstanding by comparison and I think we are a bit better than average but not perfect but a darn side better than they were. It was very insular as an indicator of that they would never go to conferences or go to the odd one and the attitude would be we've nothing to learn from other places. What was very frustrating for me is when I became Chair of the Education Committee in 1998 was our Head Teacher Associations sent me a load of documents that they'd sent to the previous Chair of the Education Committee after their annual review and their annual conference each year where they sort of write up what they thought were the current problems and potential solutions and ways that they could perhaps help to deliver those solutions, but they never sent them to me as the Opposition Spokesperson and I would you know and as I say we identified some of the issues, some of the more technical skill support issues we hadn't because they were not really on our radar and so it was frustrating for me

because I could have been raising these issues earlier. And, they just ducked every difficult decision when you look, and that was in par because of the wards that they represented when you looked at where the xxx representation way in the city. They were the wards with the biggest demographic changes, they were the awards with the most surplus places. The wards where the Youth Service and Place Service funding was most skewed, geared towards populations that had fallen over a period of 30 years and they'd done nothing about it. You know we've always done it like this, so we will continue to do it like this. And you know one of the first things we did for example was move to formulate funding for Youth Service which meant major shifts of resources which they clobbered us for as the Opposition making cuts. We did not make cuts we just moved the funding where the young people were, instead of, there were certain wards in the city which were not single penny was spent on Youth Services for example. The poorer wards in the city were the ones where the biggest drops in population generally speaking had been experienced, therefore the ones with the biggest reductions in school populations, biggest numbers of surplus places, but of course they wouldn't close any of those schools because you know that would have been unpopular and would have threatened their political controls so they did nothing or did as little as possible when they did organise a Primary Reorganisation Programme in 1996 it was based in many cases because we proposed an alternative as I don't think its incumbent on you as an Opposition, well there's a time when you just oppose. There's also a time when you have to put forward what you consider to be a viable alternative, and we did that 'cause there were a number of instances where basically they'd look at the primary re-organisation issue not in terms you know what is the best solution for this area, but that's the most valuable site so that school will close, so we will flog it off and try solve some of our financial problems and education was chronically under funded and I remember, I read an article in one of the Municipal Magazines about standing spending assessment, it must have been 1995, early '95. I put a question down out of curiosity you know how does xxx's performance on SSA compare with how much do we allocate, and they wouldn't give me the answer, it took me 6 months to get the information. If they'd just given it to me I might not have been so suspicious, but because they blocked it and blocked it and blocked it, I really had to hassle officers to get it and then when I got it I discovered why because they had been consistently well under SSA which don't forget was the minimum amount that the Tory government said we should be spending on education and when we came to the 1996's budget the 1996-97 budget on an education budget of about £208 million on an SSA was 12.7 million short. You get what you pay for. So one of the things that we pledged when we were in opposition was that we would not spend less than SSA which we couldn't deliver, well I mean couldn't deliver the first year because it was Labour's budget which was £3½ Million below but with the extra spend and because of the Ofsted inspection we actually ended up as, sorry that was the first year that was

	£3½ million. Our first budget we could only find because we had inherited such a mess, we were still £3 million under SSA the first year which ended up on the out turn being about £600,000 because we spent, we found £2.4 million. The following year we were up to SSA spend since.
I	Now obviously in terms of that 1999 Ofsted inspection
LM	Have you read the reports?
I	Yes I have yes.
LM	It's a bloody awful report and I have to say we got off easy or relatively easy.
I	At that time there were a number of authorities with reports that were judged by Ofsted to be poor and many of those authorities were required by the DfES by Government to have intervention by the private sector, that didn't happen in xxx, why do you think that was?
LM	I think timing was part of it. I think the Government wanted to try and number of different options. So we got a particular option which perhaps was favourable. xxx was the xxx Education Spokesman in parliament at the time, and my wife was one of my deputy chair's and she is still one of my assistant executive members, but we had a couple of Deputy Chairs for the Education Committee for our first couple of years and xxx and I knew xxx because we seen him at Education Conferences and xxx and xxx, the School Minister at the time, were quite friendly and basically xxx put a word in for us and said why don't we give them the chance and xxx to her credit did. I think it might have been difficult for the government as well just to say oh well because you've seen the xxx report which followed, it basically said well whatever else you do you've got to privatise School Effectiveness, you've got to privatise the Education Welfare Service because they are beyond redemption and we turned them round in 6 months. And I think there was a recognition that because quite genuinely when our inspection was brought forward, it was originally scheduled for I think in the April or the May, it was brought forward to the January and that was at the at the time and I understand that that was at the request of the Leader of the Council, and as soon as it was announced. I wrote to xxx and said well you know we will offer you every cooperation, I personally welcome this, we know we've inherited a considerable portfolio of problems and this will help us to identify which ones we prioritise so I wasn't you know in denial or anything, I genuinely thought this is a real opportunity for us to bring about radical change. I recognised that potentially it might give me a lot of leverage. And politicians like leverage, which it did and as a consequence I mean didn't get a response from xxx, I don't think it was the reaction he was looking for, because I think there was certainly on his part there was an agenda.
I	That relates to a press report quoting xxx as saying that the government expected 25 authorities to fail as that would create a market.

LM   And whilst it was a painful process, it was a useful process and I had no problem whatsoever with the verdict of the Inspection team, as I said I think in certain areas we got off relatively lightly.

I   Was it one of you options to look to outsource?

LM   I had no, I had no I've got no ideological problem with not having an in house provider of services and one of the first things again that we've done, one of the first meetings I and my one of my as I said I had two deputy Chairs, one of my Deputy Chairs and I went to a meeting about Education Business Links because we wanted to form an education business partnership in the city, that would be three or four months after we took over and there was an organisation in the city that was xxx Compact which was a sort of public/private I suppose organisation which provided work experience placements on behalf of schools, and xxx and I discussed this after we had been to this one day event, and we came to the conclusion because we'd been impressed with their presentation that it would be worthwhile centering our education business partnership on xxx Compact which you know was and we actually overheard some officers from the Authority talking and didn't realise we were just round the corner and they were saying, well that didn't go to plan we were supposed to get that. Because that's what we'd said you know. I think this is the way we should go, so we had no ideological problems it was a question of who was the best provider, but having said that, I felt very strongly that there were certain functions which ideally are better performed in house. Our school effectiveness was one of those as the educational welfare was another, admissions was another. There are certain things, there are some things you can out-source fairly readily and others that I feel whilst its not impossible its probably in a lot of cases not advisable

I   Why do you think that?

LM   Because of our responsibilities, I mean my colleague xxx in xxx is quite happy with xxx providing their outsource, their outsourced education services, but I said to him well you know, how do you make sure that you are able to fulfil your responsibilities, and he's a bit vague about that, but he said well you have to get reports you know, there is an accountability and there's penalties, but for me that's indirect. Its about relationships in many cases and I just feel that you know I came to this as a School Governor, I started off 20 just over 20 years ago, my kids primary school was starved of resources and I was fed up with it, so I thought I'm going to stand as a parent governor and I lost the first time, but the woman that won it dropped out 9 months later, so they had another election and I stood again and I actually got elected and year later I was Vice Chair and a year after that I was Chair of Governors, because each time I thought well I can do a bit more you know add more leverage to get what this school needs, cause it was an inner city primary school. One things leads to another and in the end I thought I'm going to have to stand for election, I'm going to make a difference and you know

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you get elected as I was in 1992, well I'll sit quietly at the back for a couple of years and maybe think you know perhaps if I'm, cause I'm not really ambitious and after about 3 months I thought, I'm better than most of these you know I could do that better, so which is why I stood as a Deputy the following year and I was elected by my group and as I say one things leads to another. I have to say it's been very useful I feel me having been in this position for 12 years. It is 12 years yes. Its my 12th year and having been in opposition as well it gives you a real perspective which when I look at Government ministers changing every 18 months or whatever, I just think how can you have continuity. Yes, you've got the same civil servants feeding them the same line all the time, which is basically anti Local Authority, so it's no wonder we are in the mess that we are, relatively. What was the question?

I   We were discussion why the decision was taken not to outsource the services and who made that decision.

LM   And the other reason I think was because we are a big authority, we've got 1% of the countries schools, that's a sizeable authority, we had about 80,000 children, 210 schools altogether, it was a fair chunk you know it's a big, it would have been a big thing for the private sector to swallow in one lump.

I   Did you have any pressure from the Headteachers because of the performance of the Local Authority?

LM   The Heads were very sceptical. I think there were a number of them who were proactive in wanting to see it all privatised. They had no problem with it at all. They had been let down year in year out by the Authority, so they thought you know its crap lets try something else, it can't be worse, I think was their attitude and it was a real scepticism you know that we had the political will, the political ability to deliver even though I did know someone and because of you know I used to go all the local education events as a Governor and then when I was a Councillor spokesperson, so I've met quite a few of them and you know its about relationships. Some of them I think were prepared to give me the benefit of the doubt, others weren't. I don't blame them being sceptical, I know they'd been let down serially year in year out, so it was understandable, I just felt frustrated because I felt give me a bloody chance here. Give us a bit of time and xxx to her credit gave us 6 months to see what progress we could make and we made significant progress in that 6 months, so much so that the xxx when they came back changed their verdict. Having said you know what ever else happens you must privatise these two services, well actually we think the rate of improvement has been such that you can give them a another year to see if they can turn it round completely and we did.

I   That was very rapid progress

LM   Oh it was, we went from a 7 to a 3 in what fifteen months.

I   Who made the decision about xxx coming into the authority?

LM   It was a meeting that I couldn't go, xxx went in my stead, one of the advantages of having a Deputy that your married to, there's two advantages one she tells you everything that happens, faithfully reports back and the other is and as she doesn't want my job which is always a good thing for a politician to have a Deputy, who doesn't want my job. She went down with the Leader of the Council met with xxx, I think was the Schools Minister then, xxx took over just that then. I can't remember what it was, I know it was xxx, they met with.

I   Xxx was the Secretary of State and Charles was the Minister.

LM   Yes, they met with him and xxx and xxx said xxx was running the show. It was xxx who made a decision and it was xxx that said I think we can give them 75% of the funds for this, so we had to find I think about half a million, and then we had to spend some more money on this that and the other. So, it was I think, I think xxx was prepared for some reason to give us a chance. I think maybe he felt that, my concern about it all was as far as I could see we'd had an entire generation of children that had been let down and I didn't see that necessarily out-sourcing to the private sector was going to change that radically, it was a gamble was the point, it was a gamble which might not have paid off, so, I felt we should be given a chance to see what we could deliver and we did. I mean xxx, xxx came in I think there were a number of issues actually, I think there was a problem with personnel. I think xxx's image had been so poor for so long, that basically getting decent quality officers here was difficult. You know if you were looking for a job, we wouldn't be top of your list at the time, there aren't that many out there who think I want a challenge. I'll give that a go, xxx was one who came in 1995 because she likes a challenge and she was the only one we kept. There were I think, there's the Director and I think there were 5 Assistant Directors that the Director and 4 Assistant Directors went plus about 60 of the staff and the old Education Office over there was like a rabbit warren, I mean I've been on the Council for 6 years and I couldn't find my way round the place. I knew where the Director's office was because it was straight up the stairs, but try finding anything else. One of my colleagues overheard when we moved. We moved into the 4th Floor of the xxx's Department store, one my colleagues got in the lift and overheard two of the staff talking they didn't know it was a Councillor in the lift with them and they were saying, its much better here but you can't skive at all. Because you had all these little rooms everywhere, you could just nip in and have a fag, or gab with your mate or whatever, disappear for half an hour and no one would be any the wiser. It's a wonder anything got done. So Having a modern open plan office with actually better facilities for the staff where you didn't have to. There was a meetings culture as well, you didn't need to arrange a meeting when you could just sort of wave to someone on the other side of the room and go and have a room with then you know, and we did a report said to myself you know half our problems I think were down to personnel and the premises. I solved moving into better premises would actually go a long way and get rid of

some of the less able staff, would go along way to solving our problems as I felt a lot of it was due to communication and staff quality, and that's what xxx did he came in for 4 months and he was the hatchet man and I forgot our first Executive Management team meeting when xxx was appointed as the Interim Director and I asked a question of one of the Assistant directors and I didn't get the answer that I wanted and xxx, I could see that xxx had learnt something from this, because I was really frustrated. I think it was to do with kids that hade been excluded permanently from school when they went to another school, what support did we provide as an authority to try to make sure, because quite often they'd been out of school for a couple of months. The receiving school would be suspicious of them because they had a track record, so I asked what support do we provide to try and ensure that the alternative placement doesn't fail them, oh nothing really, I thought why don't you know, because the figures were bloody awful and you know these are the criminals of the future if you don't retrieve them. So, I found that very frustrating trying to push buttons, and there was nothing behind the button.

I   Nobody knew?

LM   There was no lever, you pull the lever and it wasn't attached to anything, so it was very frustrating to us as members when we were identifying problems and there was no means of addressing them, a lot of them.

I   So was some of that was down to personnel, some of it was down to lack of funding too?

LM   Yes, funding too. Yes, you get what you pay for. Its well I wouldn't say it was depressing, but its salutary one of the things that you learn from experiences the more often than not you get what you pay for. Yes, it comes down how you use them, how effectively you use those resources, but resources are very, very important.

I   One of the things that was set up to support the authority was an independent review board how was that set up and was it useful.

LM   That was set up outside, I can't remember what they called it at the time, but basically I had xxx on who was the Rector of xxx University College and there was xxx. And a few others, who were sort of had a monitoring brief on our progress and were reporting back to DfES on how they thought we were doing before xxx came back in, and we as members were involved in that process and we actually had Headteachers on there as well and we found that very useful getting an outside view and also a view from Head teachers on you know how they perceived things were, so we kept that up after xxx had packed up and gone away and we'd been given a clean bill of health or relatively clean bill of health, we kept that arrangement on, but we only just discontinued it this May, the Strategic Monitoring Group because we found that a useful exercise and when we brought in agencies like the Police and Learning and Skills Council and so on, there wasn't static exercise we developed as time went on. Getting that 'cause there's always a danger that what you get

from Officers isn't the filtered version, even good officers. Sometimes you have to break things to the members gently so there's no substitute as far as I'm concerned for getting you know like visiting schools for example and getting it straight from the chalk face. I remember one visit in my first few months as Chair of Education and I said to xxx I said to xxx thanks xxx it's been really useful you know, you spent an hour of it. He said no, I want to thank you, he says I've been head teacher here for 17 years and it's the first time we've had the Chair of Education in the building and I'm thinking that's what you are supposed to do, go and visit schools and form relationships with people

I   And that is important, we have Heads and Governors on our Scrutiny Panel and I often say to members if they are asking questions if you don't ask me because you know I could tell you anything, why don't you ask the heads what its like, you know they'll tell you.

LM   Absolutely, the other thing that we've done because there was this gulf, there was and us and them attitude, or there was perceived to be an us and them attitude between the Authority and our Head teachers. Not without justification because as I say it was an old xxx, it was a Heritage xxx Authority and it was like this is what you should do, whether it was right or wrong, this is what you must do, because this is what we've said you must do and the Heads would look at it and say that's a load of rubbish I'm not doing that. So there was this very paternalistic attitude on the part of the Authority under Labour, so there was a lot of suspicion and we as members me and my Deputies came up with the idea that well actually it would be useful for us to second in some head teachers into the school effectiveness, because that way (a) they would see it from the inside, and would see that things actually were changing and (b) it would give some of our school effectiveness officers who were perhaps had a semi-detached relationship with our schools and perhaps their experience of being head teachers or members of the school SMT wasn't as recent as others, might give them some insight. Because we've gone through a period of change in schools, keeping up with that change wasn't always easy, so we felt it would give some of those staff insights you know having an interface with seconded Head teachers, so we in the new structure that xxx was putting together we got him to put in three posts for seconded Head teachers, there was about 30, 30 posts and I think that actually helped, we didn't do it for Machiavellian reasons but actually I think that helped to dispel some of the suspicions on the part of Head teachers, because the message it gave out which was that we've got nothing to hide here, you know we want it to be a partnership of equals here. Which is our political force at the end.

I   Yes. So did you have any issues with members, other members either your own party or in opposition in terms of the process you were taking.

LM   No to be fair to the opposition, who I think were still shell shocked at having lost power, funnily enough, they tried to block us moving into xxx's, and it was one of the milestones we'd been given by xxx, when

we were given 6 months you know by that date, we were given until the 30th September to move the Education Service out of xxx Street, and it was all done by the 6th and we viewed, we viewed four properties on the 31st July and I remember it particularly cause it was a Friday and Jan and I went on holiday for a week on the Friday afternoon, and the Friday morning we spent looking at premises and three of them were just not up to it, but this one we thought we could do something with this, although it was a bit of a mess, and it was all boxed off in 5 weeks. It was incredible, incredible performance by our staff actually in delivering that but the Opposition tried to block it.

I   How much of a sort of hands on role did you have in relation to this interim period

LM   Very considerable. My SRA at the time was earning £3,000 a year and I estimate with all the time I took off, I took a lot of time off, I'm self employed local Pharmacist, I reckon it cost me about £7,000 in lost earnings which I couldn't claim back, because I just spent so much time.

I   So in a way you became in a way perhaps more hands on than you anticipated?

LM   Yes. Yes.

I   And have you retreated from that?

LM   My SRA is now £12,500 so I'm only losing a couple of thousand a year now, its, and I usually spend 2 to 2½ days a week doing this and I would think it's an average of 3 days a week.

I   So Ofsted came back in 2000 and saw you were making progress, they then came back in 2003 and reported that xxx is now a good LEA, so can you just briefly outline what you think led to that judgment, what did they see that was different?

LM   I remember the first re-inspection which was September 2000, and this was the team there was a team of three and two of them had been on the team that had out sourced xxx two months before, more or less lock stock and barrel, I was a touch nervous and they said to me how do you know you've made progress and we said we've reached all the milestones, so they are not my milestones they are yours which took the wind out of their sails a little bit. I think there was a recognition I would say this wouldn't I, but I think there was a recognition that there was a robust political leadership in place and plus we'd appointed some good Officers. Well xxx came, 1st December 99 just in time to take the credit for us getting 9 months more on probation and xxx came in 1st October and he got a lot of the credit as well, I didn't get a lot, and that's how it goes, and we'd appointed some good Officers which I think DfES had confidence in which I think helped. And I think there was a recognition that the political leadership was on the ball and was delivering what we'd said we would deliver and was not fudging hard decisions, and I think we had reached the miles stones and I think the feed back that they were getting from Head teachers as well was yes, we believe that this is

sustainable.

I So from 2000 to 2003 you feel that real progress has been made?

LM Oh in that time absolutely, we inherited 5 A stars to C rate 31% in 1998, this year it's 55.6%. Last year it was 50.1% and the year before was 47% I think and its just you known the improvement has started to accelerate in many areas and I think also we, we are not control freaks we actually, I think it's a sensibility of the Chair of Governors and when I was a Chair of Governors, as I saw it, my role was to be a critical friend. I wasn't supposed to be in classroom checking on whether the teachers were giving high quality lessons or not or being in the Head teacher's office all the time checking that they do all the paper work there is supposed to be, I mean there are ways and means of monitoring things through your Governor Body Meetings to make sure you know that things happen as they should, and they if my advice was asked then I would give it, and occasionally I would offer it unbidden if issues had been raised with me by parents. But it was my job to be the monkey on the shoulder all the time and I took the same views as Chair of the Education Committee and then the Executive Member because we moved to a Cabinet system after a year, and I think our Head teachers recognised that I wasn't a control freak and I'm still not, but I think there's, its like the split between central and local government there's things that are appropriate for central Government to administer directly, and things that are appropriate for local government to administer directly and I think the balance has swung too far. Similarly I think there's things that it's appropriate to be administered from in here things which I think quite probably should be administered at the school, because it's more effective. And it's striking the right balance and I think schools felt that we struck the right balance.

I You outlined the importance of political leadership.

LM I didn't say that Ofsted said it. I know you've read the 2000, it came out January 04, I thought Ofsted have not said that before I wasn't embarrassed but I actually got them to make the change because it said I had an interest in educational matters, and I said well you know, there 99 Councillors on this authority I said, the vast majority have an interest in educational matters I said I hope it's a little more than that, can I have an adjective please, so they put keen I think.

I So would you say you now have leadership which is important both at a political level you've got your officers in place, you've got your funding in place, and you've got your relationships with schools that have been sustained?

LM Of which I challenged the schools, it wasn't an easy relationship, but it wasn't because we were doing everything they wanted, we were being critical friends and we were challenging them appropriately and bring forward I think revised policies which were more appropriate to their needs. I think they recognised that plus we had in terms of school repairs, when I first became Chair of Education, it would be daily, on a

daily basis I'd be getting phone calls saying you know, we've got buckets in this class room, broken windows and all this business. I remember as a Governor going to this seminar on modern heating, modular boilers and modern heating and lighting systems and I listened to this splendid talk about how you can lights that turn themselves off when people leave the room and modular boilers so that you can just heat certain parts of the building and I'm sitting there thinking, there's a door leading onto the yard in my school, where I can't get the authority to come out and repair it. It had a hole in it for the last 3 months, and I'm sitting here listening to, it was 1993 and I'm sitting here listening to them talk about the wonderful new modular boilers. After, one of the first we put we dealt with in 1998 after we took over was the capital programme for repairs for the coming year, so one of the problems we'd had as an Authority previously was members were making decisions and officers were going away and doing something different, so after 4 months after we agreed this report, after a meeting with the SMT and I said to him, you published a report on our repairs programme please, and he was a bit reluctant to give me the report I was asking for, and I found out why when it eventually came, basically because they had this culture where a member would ring up and say, there's a problem in this school in my ward that needs sorting, and regardless of you know, you had allocated £20,000 for boilers here, they do it there because someone had complained and that was the way and more often than not, was the xxx Councillors of the previous administration were getting, everyone knew it they were pet schools, you know that would get anything like that and others that didn't have a bean spent on them. And that was why because the officers who were in charge of the repairs were basically doing their own thing, they were just ignoring Council's decision, you just can't operate like that. So we instituted a repairs framework when it was done on an objective criteria, we had it was sort of embryonic asset management plan I suppose. The government formalised the process a year or two later. Basically we had surveys done on all the schools and we set a priority audit based on need, which is the only way you can do it, it wasn't about well that's in a xxx ward, not xxx wards so we want. I pissed some of my colleagues off because each time some of them well, there's a school in my ward that needs doing and I'm sorry I prioritise the results, it will be done eventually, but you know we've appraised it objectively and that's the priority order that we've determined.

I   It becomes open and transparent then doesn't it.

LM   Absolutely, I think that helped and gradually the number of complaints declined because things started getting done as they were supposed to.

I   So as a good Local Authority how do you monitor the performance not only in terms of the hard edge but also the softer stuff?

LM   I talk to people. And the message I give out all the time is you know if you've got a problem let me know, because I can't do anything about it I don't know about it and that applies to my colleagues and my colleagues

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know that if they raise something with me, something will get done about it. I try to be proactive and I keep Senior Officers very much on their toes, I mean we have a meeting every Friday morning usually, at least an hour where we deal with my Executive Member recommendations, any issues arising from the previous meetings from the action notes, and then I have a notebook and as the week goes by since the previous meeting, I have thoughts to myself, I wonder what happened about such and such, I'll talk about that on Friday, one of my colleagues e-mails me and says I've got an issue with this, and it comes up on the agenda. They haven't a clue what I'm going to ask them and I remember do you know xxx, Director at xxx?

I	No.

LM	Used to be, we appointed him as our Head of School Effectiveness in our first year, he's a good man xxx. I remember when he left, we went for a drink because I always like to collar senior officers when they go to try the unvarnished version of things as they are on their way out the door and I said what it was like when you first came here xxx. He says I've never forgotten my first Executive Member Meeting he said, he asked one of the others what can I expect, and the response he got was anything and everything, and that keeps them on their metal. They know that they have to know, they had to know everything that's going on otherwise I'll be holding them to account. I'm the first line of scrutiny as far as I'm concerned and it's a system that worked well for me I've got to say.

I	Just thinking then a little bit about the future and the new Education and Inspection Act that's coming through and the drive potentially to more independence for schools what do you think will be the role for the now you are a good Local Authority now, good xxx Council, will that change in terms of relationship with schools and roles?

LM	To be honest I'm considering jacking it in. But I have to say I'm bloody good, and that's not me saying that its Ofsted saying that repeatedly, CSCI said it and I start to wonder what's the point. We have a children's services budget this year, £362 million of which we get to spend about £1.3 million on our political priorities and I think what am I here for? I'm not here to be the agent of government policy, regardless of its political colour, its about local determination and meeting local needs, identified by local democratically accountable people i.e. me and my colleagues, and its not as if like that when we've had a little bit more leeway because at one time it was about freedom of control of, we wasted it, we've spent that money really well, really well, you know there are a number of member initiatives in this authority, virtual school for looked after children. In 2000 one of the verdicts of Ofsted on the re-inspection was that our services for looked after children satisfactorily, and I read this report and at my next Executive Member meeting, I had half an hour with the Director beforehand, and xxx had also read this report, and I said I don't agree with the verdict on looked after children,

and he said neither do I, I think we're still crap. I said we may be satisfactory compared with other authorities, but we are nowhere near as good as I want us to be and he said that's exactly what I think. He said but we need to do something about it, because what support do we give to these kids. There in various places what support do we give to them because they are not, quite often they're not, the biggest single factor that I get, I've a fairly clear memory of it the biggest single factor in a report 1969, the biggest single factor in educational achievement for the vast majority of kids is parental support and these are kids where the major impediment is quite often they haven't got any of that, so what do we do to redress that and we came up with the virtual school that was a member initiative. Modern foreign language in primary schools which is now, we were one of the pilot authorities that the government identified and they identified this as a pilot authority because we were already doing it about 17 of our schools and that was we did with our money. Half a million of it and it originally came out of the suggestion from one of my colleagues before she was a Councillor. She was an MFL teacher and she said, you know you could teach MFL in primary schools through video conferencing and I said we should try that, lets give it a go lets have a pilot, we had a pilot, we did a pilot in 8 schools for a couple of terms, cost us about £30,000 because I thought back to the way I was. I was good at languages and I thought, it was ok if you were bright, but if you're not into that sort thing or your not particularly that way inclined its going to be a big problem for you and I thought this was crying out to be done, kids learn English by oral means, and that exactly how I wanted them to learn French or German or Italian or Portuguese. We offer a whole range of languages. I was in a primary school in my ward not so long ago, where they sang a hymn in German, and it was like the headteacher said we could have been in Bavaria, and I watched a DVD we watched a DVD in the Select Committee and there was eight year old lad in front of the class conversing in German with the teacher with a slight xxx accent I have to say and it was wonderful. In an inner city school and what does that do for that kid's self esteem and I think it's going to have, it's obviously going to have knock on affects on our MFL GCSE scores down the line, it's the knock on effect on the self esteem on these kids which was important to me. So is parliament, they have a schools parliament, because one of the first things we did with our LEA initiatives, among members, we allocated grants of £250 to each school who wanted set up a School Council, so it really pisses me off when I read in the Education White Paper last year, that we need to be setting up school councils, because actually nearly every one of our schools has a school's council and everyone has a Schools Council which most of them set up because we gave them grants we had about 17 to over 200 of schools, is entitled to send up to 3 members to our Schools parliament and we give each of those two houses of the school's parliament, the under elevens and the under sixteen's, £25,000 a year to spend on their priorities. They can spend that money on actually whatever they want which the opposition also tried to block. The first thing they did 3 years

ago was allocate £7,500 a year to promote Fair Trade in schools that's what they decided. I was so proud I can't tell you how proud I was and you know I go when I can, and you hear 10 and 11 year olds debating the issues of the day and their concerns. Sometimes they can't articulate as well, but I tell you one thing, they know what the issues are, and they are just as smart as we are they just don't have the experience. I keep saying that to officers as well and there's only a limited amount of things that we've done with the money. We didn't need government this idea that all the good practice and all the great ideas come flowing out of statutory buildings trailing clouds of glories is bollocks, a lot of it comes from educational places, and when we aim here, I tell you they are going to be in a rut because too many of these back of a fag packets snappy titled initiatives that they come up with they then come to us and say err we've had this idea and I wouldn't do it, and we tell them and we iron out all the problems and then they take all the credit.

I   So, you feel that's an issue in terms of the development of schools and the role of local education authorities?

LM   We have and Education Act which is London Centric, it's designed to solve a number of problems in the long run which frankly I don't want to solve. I don't for see in the same way that there weren't many schools who went GM but its sheer status. Pretend they are anything different and I don't perceive that there'll be too much demand for Trust Schools in Liverpool, I can't speak for the Local Authorities, but what's the point, its tinkering with the structures all the times and always about taking powers away from Local Educational Authorities, we've still got, I've got lots of extra responsibilities actually as Executive Member of Children's services and increasingly I've got less and less means of delivering on these, I'll give you a very good example, our school effectiveness service, well firstly we judge the most improved LEA in the country in 2004, our school effectiveness service won an award I think October or November that year, it was a local government chronicle award. Because we were the most effective or whatever it was, effectiveness service and we are seeing now the fruits of the investment, because it was a relatively expensive service, and you get what you pay for and we've seen the fruits of that now because we wouldn't have achieved 55.6% of 5 A*-C at GCSE if we hadn't put that investment into schools and made a challenge and what that enabled me to do as an Executive Member is to say things like, well we've got pupils with special needs in main stream schools, how do we be sure that the money that we are allocating for those SEN pupils has been spent on those pupils and our school effectiveness officers would go in on their termly visit and would ask to see proof of that. You can't do that with a School Improvement Partner I've had that imposed on me. That one size fits all the solutions has been imposed on me. We've had to dismantle half the school effectiveness service a nationally recognise that award winning schools effectiveness service which is delivered a disproportional successful school improvement programme and I've had to disband it

because the government says one size must fit all, there are a few authorities out there that aren't providing sufficient challenge to their schools so they must all have the same solution. Its mad, its absolutely bonkers that, its been soul destroying for me, I am sick, well we try to subvert it by setting up the learning networks and the money has been delegated to the schools and they been used to sort, well we've got 10 learning networks, we've 7 learning network co-ordinators and I think 3 of them are sort of linked networks, and those learning network co-ordinators although they are basically paid for by the learning networks, that's money that's delegated to the schools and will all put it to finance it, also have some of their time dedicated in house so that we can ensure that the issues that we feel should be on the agenda are raised and that's one way in which we try to preserve some of the expertise, but it's a privatisation agenda, and I , that lying bastard xxx, we had a meeting in the Holiday Inn here 2 years ago next month, it was organised by the Educational network, a new relationship with schools and on the agenda and we were one of the pilot authorities and I said I think this is a privatisation agenda and he said I don't know where you've got that from he says, no intention whatsoever and about a month later Capita were awarded the bloody national management of the contract and national management of Key Stage 3 strategy and I don't know if they've outsourced the DfES's school effectiveness unit but I know there was talking about it

I   They were talking about that, ..

LM   You had the prospect of the entire continuum of school improvement being outsourced, I'm sure that the private sector company that were dependent on outcomes for bonus payments and all the rest of it, I'm sure we would have got a really, really faithful set of outcomes out of that, I don't think this obsession that it's private good public bad its got to end, cause we're good we're good at what we do and they're throwing it away. Because if I tell I've genuinely this is not spinning you a yarn here, I don't know whether I want to be an Executive member after May. I really don't, I mean I'm up for election in May and I'll stand, but I wonder what's the point.

I   That's why I wanted to come to xxx to find out how the authority has moved forward and what impact there has been by the authority continuing to deliver its own services.

LM   What we've done in the last 18 months with children's social care which wasn't very good when we took it, but I mean we had the template for performance management of this authority, and that came out of the xxx work, I had some criticisms of xxx, but actually they gave us the basis on which we could build a good accountability framework, because I was always a problem, I recognised it in opposition you know you would ask well how do you know this policy is working as well as we would hope I used to get no reasons whatsoever well we are telling you it is so it must be true, well I don't accept that, give me some evidence, but we can't

because we don't know why or how or when or where. So having that performance framework management in place using it as a tool I used to stress this to officers still do that this is a means to an end. This is not an end in itself, it isn't just a tick box exercise, this is to enable us to improve services similarly with the best value reviews which were misused in a lot of authorities to maintain services in-house. I think we used that process really well, because it gave us leverage quite often for radical change, and we changed a lot of services through that process and I can't think why we stopped using it as much, I suppose we'd a lot of the changes that we wanted to make.

I   So, is the issue is looking at value for money not just best value?

LM   What we've done absolutely, all we've done was with children's social care is basically introduced a more rigorous performance management framework which is based on the one we had in education and we've changed their culture and that's improved markedly in 12 months, the latest report is, we've had the draft and it rates us good on children social care which is an improvement. So its going in the right direction and I'm confident that we can continue that process and it's a comparable process in children's social care from the one we had in special educational needs, one of the criticisms that we had in 2000 was that we hadn't moved forward quickly enough on the inclusion agenda. My response to that was well (a) there'd been a lot of suspicion by the stakeholders out there particularly parents regardless of the school's suspicion, but parents were very suspicious because previously in that sector it had been like about cuts and or they wanted to amalgamate special schools, it wasn't that ones the better one, so we'll site it there it was that site's more valuable that's the one we'll sell, you know it was just based on false premises and we changed all that, there was a reservoir of suspicion which still hasn't disappeared by the way, there's still people out there who are always suspicious about anything we suggest to change special educational needs, and when they came in 2004 we had, we still hadn't made much progress but I said to them you know its about getting all the ducks in a row so by getting all the pieces of the jigsaw, I said I am confident that in the next 12 months this programme is going to accelerate and it did, because I knew everything was coming together that we had, we had got it right, we'd got everyone signed up to the principles, we dispelled a lot of the suspicion and people were now prepared to give us the benefit of the doubt, and it was about, we put forward a new SEN strategy in 2000 which hadn't changed because when I got it it was fine, but it didn't have very much in about early intervention and I said look if we are going to change this, if we are going to move from spending of all our resources fire fighting, you know, big lads, problems in the secondary sector, we've got to identify I always remember a report. I remember reading it as a School Governor in 1989, it was a really good report we forget the lessons of that report at our peril, and one of the things that we could investigate said was when they tracked back kids that were causing problems in secondary schools.

But what they often found was that they'd been causing problems in nursery and infants and juniors what big sort of half dealt with, or not dealt with at all, until they were so bloody big, and they started thumping teachers and causing mayhem in the 14 and 15 that's when they tried to deal with it, it was a similar thing with SEN, instead of waiting until the kids were so old that they couldn't develop coping strategies, we had to just shift resources to early intervention early identification dealing with it early enough so the kids were still not set in their ways, they were able at 4, 5 and 6 to develop coping strategies which would enable them in later life to deal with it a little bit better with the impediments that they had and that's what we've done, and that why we are including more kids in mainstream now because we managed that shift of resources, we've successfully. We're doing the same thing now in social care and feel proud of that. The same way that I will , its sounds like I'm an egomaniac, and I'm not really, but if we've done something well I don't see why we shouldn't get the credit for it occasionally. You know we take the brick bats and we've made mistakes and its one of my faults it that I dwell on mistakes everything's always ineffective. I remember the first time we reached 40%, 5A*-C one of the Executive Director's said to me, you must be very pleased, 40% for the first time and I said well yer I am, but it means 60% of our kids don't reach the standard that's nowhere good enough, for me. Onwards and upwards I would like to reach national averages before I go, I might give it one more year, but I genuinely considering my position, I mean I want to see how this Act pans out. Because I'm sick of it, really sick of it, of the government interfering all the time, if it aint broke why fix it. They've done this time and again. I just can't forgive, they've done to our school effectiveness service, and I don't know if we can maintain that progress, without that service. You know, it's privatised a chunk of school effectiveness, its certainly privatised subject support. Because we just don't provide that anymore. In house, you know schools want it, but they are going to have to get it from the private provider. I don't see with the advantage, what's the big advantage. That's ideological.

I   Well I am conscious of time but thank you very much for that, from my perspective answers all my questions. Is there anything else you wanted to add?

LM   There one other thing I want to say. Cost these things out, the intervention cost the DFES about a million and a half and look at the costs of some of these other interventions. I think ours was the most successful, it was also the cheapest. And in fairness that's because the obsession with public bad private good, I think was suspended temporarily and paid dividends. And I give xxx credit for that and I've done it publicly at education conferences although we are in different parties, and when she resigned we'd been trying to get her to come in for ages, and we persuaded her to come about 6 months after she resigned as Minister and made a fuss of her we took her to the school that she had signed off the month before and she was really pleased we gave her a

model of the xxx as well, which she really liked and she really appreciated that, but we wanted to say thank you. I think its important to say thank you, we didn't want to her to come here because she was the Secretary of State we wanted her to come here because she had given us a helping hand when we needed the helping hand and we wanted to say thank you and you know there's a bit of tribalism.

I   You could say it was a brave decision by the government.

LM   She and xxx shared a bottle of wine in an anti-room in the Commons one time. She gave us the benefit of the doubt,

I   Because if the authority hadn't been successful …

LM   They wouldn't have lost anything, but at least we'd have had the chance and we'd have been able to say. I remember talking to one of my xxx colleagues in xxx he was in opposition at the time when they were outsourced, and he said I wasn't surprised he said because as soon as of the Ofsted Report came out, they just went into complete denial, like they got that wrong, you know, that bears no relation to what's happening here and he said it was spot on as he was concerned they'd got it absolutely right and I think that was one of the things that stood us in good stead that we didn't go into immediate denial. We said yeah you're right we're crap, help us to fix it. You know I've always given the government credit for giving us that chance always. I give credit where it's due and the government does something like that I will say so, the problem is they keep doing the wrong thing. I just wish they'd let me get on with it. You know if I had £5m to spend I'd transform the experience kids had within this xxx with things we could do with 5 million quid a year. As though you know as though I need to be told we have to invest in education, that's what I'm bloody here for, that's what I got elected in the first place. I mean in a way, I mean it must be 18 months ago, the new High Commissioner for xxx made a request to visit the xxx xxx, I can't remember his other name, a very nice man, former Education Minister, and his grandfather had emigrated from xxx in 19 something to xxx, so he wanted to visit. I said as far as I am concerned you are a returned xxx you know, and he wanted to talk to me in particular because he just wanted sort of compare and contrast the education system in xxx, and the education system here. So I told him about this that and the other, some overlapped with what we've discussed, and he said you know, he said, you're a rare example you're a politician that achieved what it set out to do and I can honestly say I never, never stepped back and it never occurred to me, but your just so busy just getting on with it. You don't have time to step back and think have what we have achieved what we set out to do. There's always more. This is the greatest xxx in the world as far as I'm concerned and I want the absolute best for the young people of this xxx. Because some of them don't half need it. We have 26 out of the 100 most deprived super output areas in the country in this xxx. 26 out of 100. That's the sort, and anyone that says that poverty isn't a fact. We've got major problems

here, in spite of that, it isn't just about I give it credit, I give government credit for this, there is more money in education now, but some of its been wasted, but there is a lot more money in education now. But it isn't just about the money, I will point to say xxx. They get funding that us per pupil, we are 6th on the list, they are 1st or 2nd per pupil funding, but we've worst deprivation, their GCSE results haven't gone up to the same degree as ours, why's is that? Their schools generally are not as good, the head teachers not as good, the kids a bit thicker, but some support xxx United so they might be but, it comes down to, I tell you it comes down in part to party political leadership, yes, and they are not a bad Council by the way. Because they've made decent progress, but the progress just isn't as good as ours. And I just feel increasingly that I'm wasting my time, so they won't let me. Why, why because it's a control thing isn't it? Because I read an article for the xxx News about 3 years ago which said you know trust us or die our aims for the large part overlap, you know. They talk about evidence based policy, they embarked on a programme of improving the quality of local education authorities which to a large degree succeeded and it was as though it was all we wanted you know, you don't expect us to believe that evidence just because our inspection teams coming back saying yes, it worked they are all better than they used to be. Ah well we'll just carry on as we were going to do anyway and kills then off. We termed how did I put it, we turned the condemned man to good health in time for his execution and being in a new relationship with the schools pilot meant we hoped to build the scaffold as well.. That was the analogy of it. Anyway. We'll see how it turns out in the next few months.

I   Thank you very much for your time that was all very interesting indeed.

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