



# don't fence us in!

why ring-fencing schools' money will undermine choice and quality

**Councils - as locally accountable, democratically elected bodies - have a key role in delivering education. The council supports school improvement and challenges schools' performance, it ensures that the local education system meets the needs of all children, provides value for money 'back office' services and joins up schools with other services - childcare, health, transport, social care - to ensure children are ready and able to learn.**

Councils consistently choose to spend more than they are given in government grant on education, using local council tax. Last year alone they spent nearly £200 million more.

Despite this, the Education Bill seeks to make a fundamental change to the way schools are funded - ring-fencing 100 per cent of the schools budget to provide certainty three years ahead. Greater certainty matters, but this could be achieved through three-year grant settlements for councils, including the education spend.

Ring-fencing will make it harder for the government to deliver its wider agenda for education and for children's services:

- proposals on schools' funding and schools' autonomy will reduce the flexibility, choice, quality and responsiveness of services in schools personalised to the specific needs of children and their families;
- it will make it easier for schools to opt out of the government's Every Child Matters agenda aimed at improving the life chances of all children; and proposals on 14-19 education rely on individual schools and other education providers collaborating;
- in 2001 the government committed to reducing the level of ring-fencing for all council services. This bill will tie up more council money than ever in ring-fenced grants increasing the financial pressure on other services.

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education

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### Why ring-fencing won't work for local communities

With central government determining funding for schools, the local democratic accountability of educational provision in communities will be weakened and local people will have less influence over the education provided in their area.

Greater autonomy for schools, afforded by ring-fenced funding, could result in less, rather than more, collaboration between local schools and other education providers. This cuts down choices for all local learners.

Reduced financial flexibility will put already stretched council tax budgets, which fund other local services such as home care for older people and street cleaning, under further pressure. This means that either council tax bills will rise, or services will suffer.

### Why ring-fencing undermines the government's own agenda

The government has set out a clear role for local government in providing strategic leadership to ensure services are shaped around the needs of children and young people. This is the case in both the integration of all children's services to improve the well-being of children and the collaboration of all education providers to offer education responsive to the needs of all 14-19 year olds. The ring-fencing proposals in this bill will undermine this by setting schools apart from the mosaic of other local services as well as removing councils' ability to galvanise these services around a shared agenda. The lack of flexibility in ring-fenced funding will undermine the government's own drive for efficiency and will mean that councils will have to strive even harder to maintain their track record of providing effective, efficient services. And finally the ring-fencing of schools budget runs counter to the government's own commitment in 2001 to reduce the level of ring-fenced funding to councils.

The LGA is calling on MPs to ensure that ring-fencing does not undermine the choice and quality of local services for children, parents and the wider community.

### Why ring-fencing won't work for children and parents

Children and their parents rightly expect and deserve high quality, responsive services. Ring-fencing will reduce councils' ability to support a whole range of educational activity. This risks undermining their ability to both provide strategic leadership for planning and co-ordinating services for children and learners in a locality, and impacting on existing services, such as tackling truancy, attendance, behavioural problems and poor performance, as well as supporting schools to improve.

### Why ring-fencing won't work for headteachers and their schools

The transition to ring-fencing will leave headteachers and their schools with a shortfall in funding unless the government commits to putting the additional £200 million that councils currently contribute into the education system. Alongside this the increased financial autonomy of all local institutions could risk the effectiveness and economy of scale of services traditionally provided by the council as outlined above, leaving schools without the support they currently rely on.

This case study provides an illustration of the important role councils play in education. Solihull Council is providing a borough wide behaviour and improvement programme. It carries out a needs audit to direct resources to schools for different types of support. Its work contributes to an integrated, children's agenda, and activities include:

- identifying at risk pupils and ensuring they have a key worker;
- lacking school attendance and truancy;
- supporting sibling groups of children displaying difficult behaviour by providing a multi-agency support team working outside of school hours;
- behaviour and attendance audits for both primary and secondary schools.