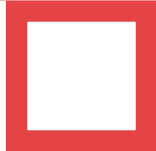


Education and Skills:



investment
for reform



Executive Summary

We intend to transform secondary education. Our vision is of a new comprehensive system which makes a decisive break with those aspects of the old system that stood in the way of reform and still impact on standards. For too long, heads had neither the power nor the resources really to make their schools special. The system provided insufficient incentives and scope for diversity and excellence in schools. Schools were isolated and teachers' skills were neglected. With the Government's commitment to sustained investment and reform, now is the time for change.

In setting about this task, our values remain the same: we believe that every child is of equal worth. Through radical reform, we will put real impetus behind this original comprehensive ideal. Our reforms from 1997 have enabled schools to take important strides forward. Now is the time to move even further. The new school system will be specialist both in the distinctive ethos of each school and in the focus it will bring to each child's individual talents. Only schools with that approach can achieve the aspirations that drive the comprehensive ideal.

How will this new vision mark a decisive break with the old comprehensive system?

	Old Model	New Model
Values	Every child of equal worth	Every child of equal worth
Mission	Opportunity	Opportunity and attainment
School Structure	Uniformity and isolation	Specialism and collaboration
Headteachers	Following orders	Powerful and effective leaders
Teachers	Working alone	Professionals leading a team
School Performance	Failure unchallenged	Ladder of improvement.
Accountability	Weak	Strong accountability framework and incentives for success
Resources	Boom and bust	Sustained investment

How will this transformation be driven?

Radical Reform of School Leadership. We need to use our best school leaders to lever up standards across the school system. A new generation of excellent leaders will lead the new next stage of reform. They will provide the engine for improvement. The National College for School Leadership will lead the transformation of the quality of school leadership and a new Leadership Incentive Grant will ensure that schools in our most challenging areas have the quality of leadership they need.

Radical Reform of School Structures. As we move towards a “specialist” system, we will create at least 33 new Academies, 300 Advanced Schools and increase the number of specialist schools to 2000 by 2006. Through Advanced Schools, the expansion of successful schools, and the creation of school federations we will extend the reach of our best headteachers, helping to pull up weak schools and increasing standards across the board.

Radical Reform of Teaching and Learning. Backed by a substantial increase in the Schools Standards Grant, we will make a major investment in additional classroom support staff and in ICT to remodel the school workforce, radically reforming working practices in schools and enabling schools to meet better the needs of individual pupils. We will invest in the professional skills of all our teachers and improve initial teacher training in the classroom to ensure teachers have the skills to meet the needs of individual pupils.

Radical Reform of Partnerships beyond the Classroom. Good behaviour in schools is essential if we are to deliver high standards. We will ensure that every school facing challenge has a learning support unit to work with disruptive pupils. By September every permanently excluded pupil will have a full-time place in a Pupil Referral Unit. We will extend truancy sweeps and take firm action against parents who fail to exercise their legal responsibility to ensure their child attends school. We will deal with the social and economic challenges facing the education service in urban areas by developing extended schools co-locating health and social services in schools to support pupils and raise standards.

Across the Education and Skills System

Education is the number one priority for the government. Overall spending will rise from £45 billion in 2002–03 to £57.8 billion in 2005–06, amounting to a forecast 5.6% of GDP. This is higher than the European average – in line with our manifesto commitment. Investment for reform is our key message, underpinned in each sector by clear national standards and accountability, maximum devolution to the front-line with greater specialisation, a real emphasis on leadership and flexibilities in staffing, and extending choice.

Our plans for investment and reform will affect every part of the education and skills system:

In **early years and child care**, we are committed to increasing choice and quality for parents, with additional investment for early intervention in disadvantaged areas where needs are greatest.

In **primary schools**, we will make further investment to strengthen the impact of the literacy and numeracy strategies, particularly with the 25% of pupils who are still not achieving the expected standards for their age. We will implement measures to enrich the primary curriculum in music, sport and the arts and encourage the teaching of languages.

We will make later announcements on the development of **14–19 education and skills**, on **higher education** and on **adult skills**. Our objectives are for every young person to remain in education or work-related training until 19, to ensure the highest standards in further education and training and to increase access to higher education for lower socio-economic groups and extend research excellence. We will also announce plans to increase productivity in the UK economy by enabling workers to improve their skills.

THE KEY REFORMS OUTLINED IN THIS DOCUMENT ARE:

- In early years the establishment of new Children's Centres to cover up to 650,000 children by 2006 providing childcare, early years education and health and family services for deprived communities
- Enrichment of the primary curriculum – extra PE and sporting activities, music and modern foreign languages – to provide access to a broad and varied curriculum
- A major drive on specialisation with at least 33 new Academies, 300 advanced schools and 2000 specialist schools by 2006 taking forward the diversity programme; every school to aim for specialist status with a distinctive mission and centre of excellence
- Successful schools will be encouraged to expand and take over weak or failing schools
- Leadership Incentive Grant of £125,000 per school to ensure excellent secondary school leadership in challenging areas, attract the best teachers, remove weak staff and appoint more Advanced Skills Teachers
- Schools that are well led and well managed will win new freedoms – earned autonomy to include power to vary the national curriculum and teachers' pay and conditions
- Our best heads leading the rest, with some acting like Chief Executives to lead school federations
- Remodelling of the school workforce with greater numbers of support staff and professional assistants, guaranteed preparation time for every teacher – including support through an expanded School Standards Grant totalling £325 million in 2003–04 rising to £375 million in subsequent years in return for greater flexibility
- Academy for the Gifted & Talented with over 17,000 pupils registered by 2006
- Full-time education for every permanently excluded pupil by this September and increasingly for every temporarily excluded pupil; Learning Support Unit in every school facing challenge to take disruptive pupils out of the classroom
- Expansion of extended schools that co-locate services for deprived communities and provide all day schooling and childcare
- Educational Maintenance Allowances for eligible 16–19 year olds tied to attendance requirements
- Enhanced take-up of sporting opportunities by 5–16 year olds, increasing the percentage of children who spend at least 2 hours each week on PE and school sport within and beyond the curriculum to 75% by 2006
- Increasing investment in schools capital to £4.5 billion each year by 2005–06 to help drive higher standards as well as continuing to reduce the backlog of repairs
- A major programme of activity to transform standards in London schools.

The challenge ahead:

Introduction by Secretary of State



Education is the number one priority for the government. Our future as a prosperous and civilised nation depends on getting it right.

Our ambition is no less than a world-class education system for all, delivering high standards for all. Teachers and pupils have shown in the last five years that this can be achieved, not at some vague future date, but within the next decade. We now set out the steps to achieving it.

Since 1997 the government has broken the cycle of under investment in education and the results are evident in our primary schools. There will now be a further dramatic and sustained increase in education spending – an average of six per cent a year over the next three years.

The extra money we are putting into school budgets by 2005–06 will amount to an increase of over £1,000 per pupil in real terms since 1997–98. A streamlined funding system will ensure resources are targeted according to need and get through to the front line. By 2005–06 capital investment in our schools, colleges and universities will reach £7 billion per annum, including £1.2 billion of PFI credits, seven times higher than 1997.

At all levels in the education system, this sustained investment will drive continued reform and higher standards. For young children this means access to high quality early years education and child care. At primary school it means gaining a firm grasp of the basics in literacy and numeracy. These were the core tasks of the Government's first term. There is much still to do, but the reforms are in place and significant improvements have been made in the last four years.

We need to encourage more young people to stay in learning after the age of 16. We are already consulting on our plans to improve standards and increase diversity in further education and training and we will now offer new financial incentives for young people. Improvements in the quality of teaching, learning and research will be part of a 10 year Higher Education strategy to be published in the autumn which will ensure Britain's universities remain world class. And a new strategy for adult skills will underpin ambitious targets to drive up skills levels, giving a major boost to productivity and competitiveness.

But the heart of our reforms is the planned transformation of secondary education.

The core principle of our values remains the same; that every child is of equal worth but the model of comprehensive schooling that grew up in the 1960s and 1970s is simply inadequate for today's needs. Talent is remaining unfulfilled. It has, for example, taken us 30 years to get to a point where 50 per cent of our young people obtain five good GCSEs. This incremental change is not good enough. We need transformation.

We are moving beyond the old, monolithic, 'one size fits all' system of the past towards a new comprehensive ideal.

The secondary schools of the future will be specialist, not simply in the technical sense, but with a character and ethos that is distinctive to each school and which focuses on the individual talent and potential of each child. The keys are diversity not uniformity, and every school with an incentive to improve. That means encouraging the expansion of the different types of school now being introduced – specialist schools, training schools, advanced schools and Academies.

It means every secondary school on a clear ladder of improvement. It means new freedoms which will allow Heads to use their staff far more flexibly – not just teachers but ICT experts and classroom and teaching assistants. It means a new focus on the leadership of Heads themselves with rewards to match. It means greater career opportunities for teachers. It means radical intervention to deal with failure in schools and LEAs; and greater freedom than ever before where there is a proven track record of success. It means using our best schools to raise the standards of the rest – by taking over weak schools, allowing successful schools to expand, and rewarding our best heads for raising standards in poorly performing schools. And it means a relentless drive against poor behaviour, indiscipline and truancy.

This new "specialist" system will mean higher standards, better behaviour and more choice. Through bold reforms, the achievement of young people in all our schools can rise dramatically. Only in this way can we fulfil the original comprehensive ideal – every child being of equal worth.



Estelle Morris, Secretary of State for Education and Skills

1. The Principles of Reform

Across the system of education and skills, the public must have confidence in our ability to use extra investment for a purpose and with a clear framework for reform. That's why four key principles of public sector reform will continue to underpin all that we do:

Standards and Accountability: We will **set standards** and measure them against a **framework of clear accountability**, so that children, students, parents and adult learners have the best information and confidence about the quality of their provision. With Ofsted inspections and the assessment of pupil progress at ages seven, 11 and 14, schools have some of the most rigorous quality assurance in the public services. Independent inspection has now been established for colleges and other learning providers through Ofsted and the Adult Learning Inspectorate.

Devolution and Delegation: We will only succeed if we work through headteachers, principals, lecturers, teachers and trainers on the front line. Right across the system we want to encourage providers to be **clear of their mission and to play to their strengths**. Devolution to the front line is firmly established, with heads, college principals and governors having control of their budgets and the freedom to develop the ethos and identity of their schools and colleges. Higher education is the sector where there is the greatest autonomy, and that has been reflected in a new lighter touch quality assurance system.

Flexibility and Incentives: We will challenge outmoded ways of working, reduce red tape and invest in high quality training and incentives for staff. **High quality leadership and management** is key to successful reform. We have put in place performance related pay in schools, backed by career-long access to professional training. The new investments we are making will help schools, colleges and universities attract and keep good staff, reward performance, provide better facilities and offer better support and professional development.

Expanding choice: We will provide better **choice** for children, students, parents and learners. Specialist schools and Academies will offer more opportunities and choice, amongst the increasingly diverse range of secondary schools. Schools will work with colleges to give better opportunities for vocational studies for students aged 14–19. Colleges will develop their role to provide a wide choice of excellence to meet the needs of young and adult learners and of employers.

2. The Challenge in Schools

We know that our policies are making an impact:

- Literacy and numeracy: The national strategies have made a marked improvement in the standards of pupils arriving in secondary schools. The percentage of pupils achieving the expected level 4 at age 11 rose from 63% in 1997 to 75% in 2001 in English, 62% to 71% in maths and 69% to 87% in science.
- Schools Facing Challenging Circumstances: Targeted work with schools and their LEAs to support low achieving schools has paid dividends. In 2001 the number of schools with less than 25% good GCSEs fell to 372 compared with 437 in 2000 and 616 in 1997.
- Specialist Schools: An Ofsted evaluation in 2000–01 reported that for 4 out of 5 schools specialist status has often been a catalyst for innovation and has helped sustain or accelerate the momentum of school improvement. The trend of improvement in GCSE average points scores in these schools is slightly above the national rate.
- Excellence in Cities: schools that have benefited from this programme for 2 years saw the percentage of pupils gaining 5 good GCSEs rise from 34.1% in 1999 to 37% in 2001 – an increase of 2.9 percentage points compared with 2.1 percentage points nationally. Schools with high proportions of deprived pupils (over 35% qualifying for Free School Meals) improved at twice the rate of those with lower levels of deprivation.

There are many achievements to be proud of in our secondary schools:

- Standards of achievement at GCSE have risen. In 1998 only 46.3% of pupils achieved 5 or more A*-C GCSEs. In 2001 we reached our 2002 target of 50%.
- The quality of leadership and management is improving. HMCI reported earlier this year that the proportion of schools where this was judged to be very good or excellent had increased to 42%, while the percentage of those judged unsatisfactory or poor had halved since 1997 to 5%.
- HMCI also reported that the overall quality of teaching continued to improve at Key Stage 3, where 75% of teaching is rated good or better. The quality at Key Stage 4 is higher, with over 80% good or better. And there has been a notable increase in the proportion of schools with no unsatisfactory teaching, from 12% last year to 19% this year.
- The number of failing secondary schools has diminished steadily since 1998, standing at 65 at the end of 2001 compared with 83 at the end of 2000 and 88 at the end of 1998. The length of time that weak schools typically stay in special measures has also dropped to 20 months.

But we still face significant challenges:

- Despite all the improvements 50% of our teenagers do not achieve 5 good GCSEs or equivalent. And yet GCSE performance remains the biggest single predictor of staying on and gaining further qualifications. Nearly 1 in 10 of our 16–18 year olds are not in education, training or employment – with considerable social and knock-on financial costs to taxpayers. That level of failure and drop out from education at 16 can no longer be acceptable if we are as a nation to bridge the productivity gap with other world economies.
- In some 1200 of our secondary schools – more than 1 in 3 – over 60% of pupils fail to achieve 5 good GCSEs. That level of under performance by a significant part of the secondary system can no longer be tolerated.
- We continue to have one of the greatest class divides in education in the industrialized world. A socio-economic attainment gap is evident as early as 22 months and widens. In English, schools with under 8% of pupils eligible for free school meals see 92% of their pupils achieve the expected level at Key Stage 1, 87% at KS2 and nearly 81% at KS3. The equivalent figures for schools with over 50% of disadvantaged pupils are 71% at KS1, 57% at KS2 and 39% at KS3.
- There are unacceptable variations in achievement by ethnicity. While the percentage of children of Indian heritage getting 5 good GCSEs rose from 48% to 60% between 1995 and 1999, and white children from 45% to 50%, the equivalent figures for Bangladeshi pupils were 25% to 29%, for black pupils 23% to 39% and for Pakistani pupils 23% to 29%.
- Pupils do not make the progress they should on moving from primary to secondary schools. Arrangements for pupil transfer are often haphazard and attitudes and behaviour can decline markedly after the first year of secondary school. Standards at 14 have remained static over several years. Inspection has shown that only three-quarters of lessons for 11–14 year olds are good or better. These middle years remain crucial. Pupils' future achievements and life chances can be won or lost here.
- Recruitment and retention of teachers remains a challenge in particular geographical and subject areas, despite recent increases in overall teacher numbers. But ever-increasing teacher numbers do not offer a sustainable option, so we must reform teaching and learning and remodel the school workforce to make progress here.

Many of these problems are longstanding. Previous governments have regarded them as immutable. But we are determined they must now be tackled head on and overcome. Urgent and radical reform is required to transform secondary education.

3. The Foundation for Progress: Early Years and Primary

We know that investing in a child's early education is important if we want to give them the best start in life. We have introduced a new Foundation Stage curriculum for the early years which sets out what most children should achieve by the end of their reception year. We have set national standards for childcare for the first time and introduced a new qualifications framework for early years and childcare workers. Ofsted has found that the quality of early education has improved markedly. Whereas in March 1998, 66 per cent of provision was acceptable, by March 2001 86 per cent was good. As well as continuing investment in Sure Start, we will introduce new Children's Centres providing education, health and childcare services to children and families in disadvantaged areas.

There is more choice for parents too. There has been a free early education place for all four year olds since September 1998 and currently 70 per cent of three years olds enjoy this entitlement. We are on track to provide nursery education places for all three and four year olds whose parents want them by 2004. We are targeting investment to close the childcare gap that exists between services in our most disadvantaged areas and more affluent neighbourhoods. Our focus on early intervention will ensure that children's needs are identified and supported as early as possible.

The primary Literacy and Numeracy strategies have truly transformed teaching and learning in our primary schools. The number of schools where less than half the children read and write well has been cut by three quarters. We must ensure that that improvement becomes embedded and irreversible. And we must go further. We need to redouble our efforts with the 25 per cent of pupils who are currently entering secondary school with inadequate levels of literacy and numeracy.

Literacy and numeracy are essential foundations but primary schools go beyond that. They are about high quality teaching and learning across the curriculum, that stimulates pupils' imagination, develops their creativity and excites their interest in a wide range of activities. We shall work with the Department of Culture, Media and Sport to increase the amount of teaching time spent on sport and music and expand Creative Partnerships as part of this broad vision. We shall work with a range of partners to support increased opportunities for language learning in primary schools and beyond.

We must see more individualised teaching approaches to improve pupils' learning. Early years and primary education will also benefit from the radical reform of the workforce described in chapter 5, supported through new investment through the School Standards Grant.

As specific targets for our success:

- By 2004 85% of 11 year olds will achieve at least the expected standard (level 4) or above and 35% will achieve level 5 or above with this level of performance sustained to 2006.
- By 2006 the number of schools in which fewer than 65% of pupils achieve level 4 or above will be significantly reduced.

4. The New Comprehensive System

The Old Model: The roots of the comprehensive system in the 1960s lay in the national debate about selection. The guiding principle for comprehensive schools was that admissions were not selective. There was no clear vision of what comprehensive education meant once pupils were inside the school gates. Many schools adopted a watered-down version of the academic grammar school approach, rather than organising to meet individual needs and to recognise and develop talent. Often, there was a 'one size fits all' approach. The system was principally concerned to treat pupils equally, and fought shy of excellence and diversity.

This was not the fault of heads and teachers. Schools were isolated and teachers' skills were neglected. Heads had neither the power nor often the resources to really make their schools special. The system provided no incentives and little scope for schools to develop a distinctive character and mission. Investment in education was not linked to results. There was no framework to measure the effectiveness of schools and to intervene where standards were unacceptable. Teaching skills, the school curriculum and school improvement were hidden in a secret garden open only to professionals. The expectations of parents and schools were shaped by the availability of unskilled and semi-skilled jobs for young people leaving school at 15 and 16 with minimal qualifications. In too many schools, a culture of under-achievement existed where social background was used as an excuse for poor pupil performance.

Forty years on, many of our secondary schools have great strengths. Standards are rising across the board, and attainment in our best comprehensive schools stands comparison with any in the world. The overall quality of teaching and leadership has never been higher. Staff commitment at all levels is immense.

Yet 50% of our young people fail to get five good GCSEs and 25% of our young people drop out of education at 16. There are very wide variations in performance between schools serving similar pupil populations, and a significant number of coasting schools. In addition, the stubborn link between social class and educational achievement persists. 70% of children whose parents are in unskilled occupations fail to achieve five good GCSEs, compared to 31% of children whose parents are from professional or managerial occupations. Only 14% of young people from lower-income backgrounds go to university, as against 75% from more advantaged homes. There are over 300 secondary schools whose performance will need to improve radically if they are to achieve the Government's

minimum standards. Heads and teachers are feeling over-burdened. There are widespread concerns about behaviour and parents do not yet have the same confidence in secondary schools that they have in primary.

Thus for all the significant reforms and improvements of recent years, a culture of under-achievement still has its mark on the system. It is time for a new start. Our central belief remains, that childrens' ability is not determined by their family background, and that in the right circumstances every child can succeed. Our goal is that every secondary school should provide an excellent education to help them to do this. Only in this way can we live up to the comprehensive principle of every child being of equal worth.

The new comprehensive system: Whilst retaining the essential values of the comprehensive ideal we will move beyond the boundaries and constraints of the comprehensive system as it has evolved since the 1960s.

All schools must have:

- High expectations of all pupils.
- Good quality teaching and learning.
- Excellent leadership at all levels.
- A broad and balanced curriculum.
- Fair admission arrangements.
- A clear route for pupils to progress.

But we know that not all schools are the same. They have different strengths and serve different communities. We must encourage and celebrate this diversity.

All schools need to:

- Develop their own ethos and sense of mission.
- Recognise their own strengths and weaknesses.
- Have clear incentives for improvement.

And schools differ in the standards of education they achieve – even where they serve similar communities. So all schools need to know their strengths, and weaknesses and have incentives for improvement. Under performing schools need to become good schools, and good schools great.

All schools are accountable for their own performance. That must continue. But we need to break the culture of isolation that has held back the comprehensive system.

We need to:

- Extend the impact of our best headteachers beyond their own school.
- Use the best schools to lever up standards across the system.
- Encourage schools to learn from each other.
- Provide incentives for schools to form federations and drive up standards together.

5. The Key Levers for Secondary Reform

Radical reform: School Leadership

Only excellent leaders create excellent schools. We know that without strong leadership schools are destined to struggle. And we know what makes for good leadership – high expectations, desire for innovation, good communication and a top class senior team. Schools need a strong and vigorous head, but secondary schools need a dozen or more excellent leaders at departmental and year-head level. We want them to lead transformation – to be pioneering ambitious innovative ideas for raising standards. Our goal is to liberate successful schools and their leaders.

The National College for School Leadership will lead the transformation in the overall quality of school leadership. Our best school leaders will enjoy freedoms and rewards on an unprecedented scale. They will have incentives to spread their influence beyond their own school, acting as Chief Executives of school federations – a group of schools working together to raise standards. A new Leadership Incentive Grant worth £175 million a year will transform the quality of leadership at all levels in schools in our most challenging communities.

Priority one is to ensure that every secondary head has the ambition, the skills and the tools to transform their school. Their greatest task is the motivation and deployment of their key resource, staff. Increasingly, their priorities will be to remodel school staffing, the organisation of the school day, school week and school year and be imaginative in the use of school space – opening up opportunities for learning in the community, engaging with business and developing vocational studies.

All heads will be engaged with the National College for School Leadership. Its task is clear – developing a new generation of transformational leaders and providing the training and support for serving heads. The College will ensure that every new head is properly qualified, and that existing heads are properly supported and trained, with access to mentors from outside education. The College will use the expertise of the best heads to shape and deliver their programmes.

Priority two is to ensure that our most challenging schools have the leadership they need. From September 2003, we will introduce a Leadership Incentive Grant to ensure excellent leadership is in place in our most challenged secondary schools. Schools in the extended

Excellence in Cities programme and in challenging circumstances outside will typically receive an annual grant of £125,000. This will allow the Head and governors to take radical action to deliver the leadership the school needs.

The Leadership Incentive Grant will give our most challenged schools greater capacity to:

- Improve standards of teaching and learning.
- Attract the best teachers at all levels and reward their success.
- Restructure and strengthen their leadership team.
- Tackle weak and poorly-motivated staff.
- Appoint Advanced Skills Teachers to lift the professional skills of all staff.
- Make possible radical innovation in the use of outside expertise, both in school staffing and in the Governing Body, including through collaboration with other schools.

Where schools are well-led, the grant will be paid directly with no strings attached. Where leadership is weaker, the Head and governors will need to agree a robust action plan with the Director of Education in the local authority concerned, and in the case of inner London, Directors will need to work with the new London Schools Commissioner. There is no scope for weak or uncommitted leadership in secondary schools and, where necessary, these plans should include the replacement of the headteacher if this is in the interests of the school and its pupils.

Priority three is to give the heads the power to deliver. The best heads will be given new freedoms. They will have:

- More resources at the front line, on average £50,000 more per school through School Standards Grant matched to reform, on top of continued real-terms growth in schools budgets, a new funding system better targeting need and a stronger voice in local decision-making.
- More power to innovate in raising standards: using the 'earned autonomy' provisions in the new Education Bill, successful schools will have new freedoms to vary the national curriculum and set aside aspects of the national pay and conditions framework for teachers.
- More power to deliver better teaching in the classroom: all schools will have resources and support to remodel their workforce and reshape their timetable, and reforms to the 14–19 curriculum will free up schools to develop stronger work-related learning.
- More power to tackle under-performing staff through the workforce reform framework and the new Leadership Incentive Grant.

- More power to form partnerships with outside bodies – through the power to form companies with private, voluntary and other public sector organisations;
- More power to expand and take over failing schools and to federate with other schools to share expertise, staff and facilities in new ways to raise standards.

Priority Four is to remove burdens that stand in the way of schools.

The Government will:

- take further action to streamline the Standards Fund, and reduce the reporting requirement to a single annual return;
- issue joint guidance with Ofsted, QCA and other national partners to reduce the bureaucracy associated with lesson planning in schools;
- with Ofsted, reform the school inspection framework to more closely match the performance of schools in the new comprehensive system;
- devolve greater control over the curriculum and employment conditions to school level; and employ administrative assistants to remove bureaucratic burdens from the classroom.

To help schools better plan their forward spending, we will work with local authorities to encourage 3 year budgets.

Radical reform: the structure of secondary education

Every school will have incentives to develop a Specialism. New investment will create at least 33 Academies, 300 Advanced Schools and a further 1,000 specialist schools by 2006, bringing the total to at least 2,000. Thereafter we want all schools who are ready to be awarded specialist status. Federations will enable each school to play to its strength under specialist leadership. Weaker schools will receive intensive support and be closed if they do not improve.

Priority One is to establish the key principles on which the structure of secondary education in the new comprehensive system should be built.

- each school should have its own ethos and sense of mission;
- each school should have an honest appreciation of its strengths and weaknesses, and a robust plan for school improvement and development;

- there is an equitable pattern of funding for local authorities and schools, with heads having a strong voice in local decision-making;
- there is a clear ladder of improvement for schools, targeting funding and support appropriate to the school's stage of development;
- intervention in schools is in inverse proportion to success, with significant freedoms available to the most successful schools;
- our best schools promote excellence by leading the rest, taking responsibility to help lever up standards across the system;
- there is support for school federations, allowing schools to innovate together and extending the reach of the best Heads;
- decisive intervention to turn round or close failing schools.

Priority Two is to make much **better use of our best schools**. Extending their influence can have a major influence on standards across the system. We are looking at ways to enable successful schools to expand in the context of a planned drive for excellence in each locality. This should include encouragement and incentives for a variety of school federations that link weaker and successful schools including:

- Our best schools being rewarded with new financial incentives for raising standards in poorly performing schools.
- A successful school taking over a failing school.
- The best heads leading federations of schools.
- Our excellent heads serving as Chief Executives in school federations.

Priority Three is to provide many **more opportunities and incentives for schools** to develop their ethos, thereby creating a more diverse secondary education system offering greater choice.

We will:

- create an additional 1,000 specialist schools, bringing the total to at least 2,000 by 2006, each using the development of its particular ethos to drive up standards across the board and to share its expertise with neighbouring schools and the community.
- create at least 33 Academies by September 2006 – state-funded independent schools backed by business and voluntary sector sponsors offering state-of-the-art facilities;
- fund up to 300 new Advanced schools, leading the drive for excellence through innovation in the curriculum and acting as training schools to raise standards across the school system as a whole;

- ensure that all schools working in challenging circumstances receive support and encouragement, recognising that many of these schools are well-led and achieving good value-added results;
- ensure that weak and failing schools receive intensive support and, using new powers of intervention, will work with local authorities to ensure where schools are not turned round quickly, they are closed;
- enable a private or voluntary sector sponsor to take responsibility for a weak or failing school against a fixed term contract.

Priority Four is to introduce school federations, bringing together groups of schools to raise standards. Federations will extend the influence of our best school leaders and drive school improvement across a group of schools, overcoming isolation and sharing best practice. A variety of federation models will be developed, including those bringing together a successful school with a failing school; a group of schools with a joint governing body and a single Chief Executive; and federations of specialist schools serving an area, each playing to their strengths and substantially increasing choice for all pupils.

Reform of secondary education structures will be matched by a significant investment and a new approach to schools capital, moving beyond the old 'patch and mend' approach to the creation of a truly modernised school estate.

Radical reform: teaching and learning

Teachers are over-burdened not because of too much reform, but because of too little. We expect different things of teachers than we did a decade ago, let alone fifty years ago, yet in many ways the way we staff our schools has not changed at all. Other professions and industries have gone through a re-modelling process to make sure that the skills and support are in place to meet the new demands. The way teachers and support staff work has not been rethought in this way. A radical reform of working practices in schools is needed, both to pave the way for individualised learning and reduce burdens on teachers. This will involve placing the teaching profession at the cutting edge of public service professionalism in this country, committed to and leading the drive for transformation in all our schools.

Priority one is to remodel the school workforce to allow teachers to teach effectively, to increase classroom and administrative support, and to secure a more diverse and flexible workforce focussed on meeting individual pupils' needs. This will involve ensuring that teachers' time is focused on high-level professional work in the classroom which makes the

best use of their skills. They will be supported by more support staff, including paraprofessionals and ICT technicians, and by the intelligent use of the best ICT resources, including personal computers for more teachers and personal access to on-line learning resources. They will also benefit from guaranteed time in the school week for preparation and marking. We will also continue to work with our national partners to scrutinize and weed out unnecessary bureaucracy and regulation across the system.

Schools will be able to make very considerable progress with these reforms through the extra money we are putting into their general budgets. But to provide extra support to schools to deliver these vital reforms the Government is ready to provide an additional £325/375/375 million (split £150 million and £175 million between revenue and capital in 2003–04 and £175 million and £200 million in later years) direct to schools. However, this substantial investment must be matched by a commitment from our national partners to a restructured teaching profession and a reformed school workforce – more flexible, more diverse, more focussed on raising standards. We will set out in the Autumn our proposals on the substance of these reforms and the process for final agreement.

Linked to remodelling, **Priority two** is securing and embedding a pay and performance management regime which rewards excellent teaching and eliminates poor teaching. The pay of good, experienced teachers has increased by 15 per cent in real terms since 1997. Increasingly, every teacher's contribution is being properly recognised through flexible and rigorous arrangements for pay and performance which enable schools to recruit and retain the staff they need, with strong incentives for our best teachers to progress. We shall ensure that performance management arrangements become more rigorous, right across the profession. And we shall improve capability procedures so that problems can be more swiftly identified and remedied.

Priority three is to focus intensively on improving the standards of teaching and learning across the system. The priority is the critical middle years of schooling. Our national strategy offers structured support to both teachers and pupils to ensure they meet stretching targets for achievement at 14 in English, mathematics, science and ICT. For pupils, this includes providing help through catch up classes and mentoring for all those who are falling behind. For teachers continued professional development across all subjects is vital. We will ensure that every teacher working with 11–14 year olds has access to extra training to sharpen their skills. We will encourage all schools to develop Advanced Skills Teachers to lead on the development and implementation of a school-wide policy. We will encourage greater collaboration between schools to embed and extend best practice across secondary curriculum.

As specific targets for our success:

By 2004 75% of 14 year olds will achieve the expected level 5 or above in English, maths and ICT (70% in science) nationally and by 2007 85% (80% in science).

By 2007 the number of schools where fewer than 60% of 14 year olds achieve level 5 or above will be significantly reduced.

By 2007 90% of pupils will reach level 4 in English and maths by age 12.

Between 2002 and 2006 the proportion of those aged 16 who get qualifications equivalent to 5 GCSE at Grade A* to C will rise by two percentage points each year on average and in all schools at least 20% of pupils will achieve this standard by 2004 rising to 25% by 2006.

Priority four is to ensure that the system recognises and acknowledges excellence. The Excellence in Cities programme has pioneered work with gifted and talented pupils in deprived areas. Measures to identify and support gifted and talented pupils will be extended through the opening of the National Academy at the University of Warwick. The pilot year beginning in July 2002 will engage 100 academically gifted pupils in individual programmes, beginning and ending with three week residential courses rising to 900 pupils in 2003. All schools will have access to support and training from the Academy, with all secondary schools in disadvantaged areas having specific gifted and talented programmes under the Excellence in Cities initiative. By 2006, 17,400 pupils nationwide will be registered with the Academy.

Radical reform: Partnerships beyond the Classroom

The transformation of standards in secondary education is not a job for schools and teachers alone. Parents and the wider community have a critical role to play, particularly in helping to improve standards of pupil behaviour. We will make a substantial investment in new facilities for disruptive pupils, backed by intensive follow-up and support for children with the most serious problems. We will also support stronger partnerships with business, with universities and the wider community to stretch horizons and expectations in the new comprehensive system.

Priority One is to tackle poor behaviour. Teachers cannot teach, and schools cannot improve, where behaviour is poor. Tackling poor behaviour is at the heart of our ambitions to raise standards and narrow the achievement gap. This is why we have declared a policy of zero tolerance of indiscipline in schools. We will take firm action with parents who fail to exercise their legal responsibility to ensure their child attends school regularly.

Schools cannot succeed in this on their own. The rights and responsibilities of parents are critical in putting an end to poor behaviour. They are active partners in their children's education, and where necessary will be challenged to meet their responsibilities to ensure children attend school and behave well.

As part of a national behaviour strategy to be launched in the autumn, we will:

- provide Learning Support Units for every school where this is needed to take troublemakers out of the classroom;
- develop links between schools facing difficult behaviour and their local police;
- create many more BESTs – Behaviour and Education Support Teams – to provide intensive support for children with the most serious problems and linking to police officers based in some schools;
- improve training for teachers in behaviour management and discipline to boost their skills to deal confidently with pupils;
- provide follow-up support from trusted personal advisers for truants, those excluded from school and young people at risk of offending to keep them in learning, with the Connexions Service having a major contribution.

Outside schools, we will also combat poor behaviour by:

- extending intensive truancy sweeps to meet the target to cut truancy by 10% by 2004;
- ensuring a full timetable of education for anyone permanently excluded from school.

Priority Two is to encourage all schools to extend their out-of-hours work with pupils and their links with the community. Formal schooling is only part of the educational process. The new comprehensive system will be built on a positive partnership with parents, the imaginative out-of-hours use of school facilities, and draw on the huge reserves of energy and commitment in the wider community to support young people's learning.

The school gates and the school timetable must cease to be barriers to learning. By 2006 we want all schools to be providing some study support, be it breakfast clubs, after-school clubs, homework clubs, summer schools or access to ICT for families that can not afford it at home – with more Playing for Success study centres in a wide range of football and other sports clubs. There is strong evidence that out of school hours learning raises pupil attainment and improves behaviour and motivation, especially in the middle years of 11–14.

Priority Three is to provide better multi-agency support closer to schools. We will create “extended” schools in the most deprived areas. These schools will be able to provide a range of services for children, their families and the wider community – including childcare, study support, adult and family learning, access to modern technology, health and social care – working closely with local health and other services and voluntary bodies. We will also support local delivery of extended services in many other schools.

Priority Four is to give all young people the opportunity to participate in high quality sport at school, using time in and out of the school day and drawing together the different skills of teachers and other members of the community. Expanding the School Sports Co-coordinators programme to reach 75% of pupils will enable partnerships of schools to work together to share best practice and sports facilities. But it will also enhance provision made by teachers by incentivising local sports clubs, national governing bodies of sport, parents and local volunteers to provide high quality sports coaching.

Achieving this will help to raise standards, eradicate bad behaviour in the classroom and provide parents with a greater choice of excellent schools.

Meeting the London Challenge

London schools face particular pressures and particular challenges.

To transform schooling in London we will:

- Make structural change a priority with a visible transformation of the poorest schools through: around 25 new Academies, the promotion of new models of secondary school, partnerships of successful and less successful schools, and investment in new schools to meet the projected growth in numbers.
- Enrich provision: increase the offer to gifted and talented pupils; enhance schools' links with London's FE and HE sectors and the business community; and take advantage of innovation in the 14–19 curriculum.
- Develop a stronger school workforce with: more investment in current and future school leadership, support for remodelling the school workforce and use of salary flexibilities, and giving the School Teachers' Review Body a remit to look at the reward package for teachers committed to teach in London.
- Provide strategic leadership and support: build on existing collaboration and co-operation in London; and give a sharper focus in the department with a Minister for London and a Schools Commissioner to lead on building collaboration and the process for school planning.
- The Leadership Incentive Grant will also drive improvement school by school; the Commissioner will work with education directors, and with the weakest schools directly, to secure the changes needed.

6. Better Skills, Higher Productivity

The reform of secondary education is critical for improving the economy's productivity performance which is the key to long-term growth and sustained increases in national living standards. Britain also requires a world class work-related education and training system. Higher skills not only make individuals and firms more productive and encourage the take-up of new technologies and working practices. They enhance social justice by increasing the earning power of those with low skills.

We will consult later this year on substantive proposals for Higher Education and for Adult Skills. With the resources available from this Spending Review we will want to make significant progress on four key objectives:

- Engage all young people in learning beyond the age of 16.
- Transform delivery in further education and training.
- Encourage excellence and widen participation in Higher Education.
- Ensure that young people and adults have the skills which employers need.

Engaging young people in learning

We need to motivate young people so that they carry on learning beyond the age of 16 and acquire the higher level skills that are essential for improving our productivity. Far too many young people drop out, constrained by income, lack of choice and opportunity, or poverty of expectations. We need to tackle all of these problems if we are to avoid squandering their talents for the nation.

Financial support is important for young people from more disadvantaged backgrounds. Our aim in the long-term is an integrated system of support that will take young people from age 16 to higher education and employment. We have piloted Educational Maintenance Allowances in a third of the country to assess the impact of offering financial support to young people from disadvantaged backgrounds to stay on in education at age 16. The results were encouraging: an increase of six percentage points in staying on rates (7 points at year 13) as well as improvements in attendance, attainment, and in student motivation.

We are therefore extending Educational Maintenance Allowances nationwide from September 2004. This will provide eligible young people with up to £30 a week plus bonuses, depending on family income and tied to attendance requirements.

Creating choice and more diverse routes for young people is central to the long-term vision set out earlier this year in our consultation paper *14–19: extending opportunities, raising standards*. The investment in schools, colleges and other providers will allow them to:

- Improve the quality of 14–19 provision, and of teaching and learning in schools and colleges of Further Education;
- Ensure they work more closely together to give young people more choice;
- Give 14–16 year olds more opportunities for vocational and work-related learning through part-time placements;
- Support a new generation of modern apprenticeships that prepare our young people better for jobs in skilled employment.

We have set ourselves ambitious targets of ensuring that the proportion of 19 year olds who achieve 5 good GCSEs or the equivalent will rise by 3 percentage points between 2002 and 2004, with a further 3 percentage point increase by 2006. By 2004, over a quarter of young people will enter modern apprenticeships by the age of 22. We will announce a wider vocational target in the Pre-Budget Report that includes learning programmes in further education preparing young people for employment or higher education.

The Connexions service has a crucial role to play in giving young people guidance to make the right choices. Connexions will be available across the whole of England by 2003, with particular support for young people who face multiple barriers to learning.

We are firmly committed to **widening access to higher education**. The massive growth in student numbers in the last two decades has not been matched by wider participation. Only one in eight young people in the bottom socio-economic group go to university compared with three in four in the top socio-economic group. We will have failed if we hit our target of 50 per cent participation in HE among 18–30 year olds by 2010 without recruiting from those groups who have historically missed out on Higher Education.

Better attainment levels in schools and colleges will determine first and foremost whether we reach the 50 per cent target. But we want to see universities do even more to hunt out those young people whose ambitions and attainment lag behind their potential. The Excellence Challenge programme reduces barriers between universities, colleges and schools through mentoring, masterclasses and summer schools. We will learn the lessons from the early stages of this programme to embed best practice more widely. We have introduced 2 year foundation degrees designed to provide focussed and vocational higher education for a broad range of students.

Transforming Further Education and Training

Our recent discussion document *Success for All* set out proposals to strengthen further education and training, celebrating success but driving uncompromisingly for higher standards. The further education and training sector is crucial to much that we want to achieve. It serves six million learners, drawing almost a third from the 15 per cent most disadvantaged areas. But despite the efforts of many committed staff and the excellence shown in a number of colleges and providers throughout the sector standards overall are too low.

We need to improve. The infrastructure is now in place for this to happen. There is a strong framework for accountability through the creation of the Learning and Skills Council, rigorous, independent inspection and resources and power delegated to the front line.

To take our reform strategy forward we intend:

- To work with the LSC to streamline funding arrangements from 2003 and introduce three year funding agreements for providers who demonstrate their effectiveness. For colleges that are prepared to commit to stretching targets for minimum performance and value for money we will guarantee a 1% increase in core funding in real terms each year for the next three years. This will give colleges much greater financial certainty and reduce bureaucracy. And it will enable colleges to modernise their pay arrangements so that they can recruit and retain high quality staff and reward excellence.
- To ask the LSC to conduct an area by area review of provision aimed at widening choice and matching provision to the needs of employers and learners. It will be a priority to secure early improvements to 16–19 education, through structural reform where necessary, and to improve the contribution of the learning and skills sector to productivity and meeting the skills needs of local and regional economies. We want to encourage every college and provider to be clear about their mission and to concentrate on what they do best.
- To give college staff access to the same programmes of training and development that most other professions take for granted. As with schools, leadership is vital. A new leadership college will start in 2003 to develop the leaders and managers of the future for further education colleges and other providers in the sector. A new post-16 Standards Unit in this Department will develop better teaching and learning materials in key curriculum areas and support their implementation with a major programme of training and development for teachers and trainers.

- To use the full potential of ICT to transform learning. We will ensure colleges and other providers have the equipment, curriculum materials, and training to translate this potential into better services and make England into a recognised world leader in this field.

Encouraging Excellence and Widening Participation in Higher Education

We will publish in the Autumn a strategy document setting out our 10-year vision for the development and reform of higher education.

This country's record on higher education is already first class. Our universities and colleges are crucial to our economy. We have greatly expanded the numbers gaining a degree while ensuring that growth does not compromise excellence. British research is among the best in the world and we have one of the very highest graduation rates in the OECD. But if we are to sustain our position against increasing global competition then a programme of rigorous and continuing reform and investment is essential.

The strategy will have three key elements. First, we will ensure that our Universities can continue to compete with the best in the world in terms of the excellence of their teaching and research. Second, we will widen participation towards our target of 50% of 18–30 year olds having the chance to enter higher education by 2010. And finally we will work to break down the traditional barriers that have prevented people from disadvantaged backgrounds from benefiting from higher education.

The strategy will outline our plans for making the most effective use of the additional resources we are making available for higher education. It will also set out how we will be developing the student support system so that it underpins and reinforces our aims of excellence, access and participation while sharing the costs of higher education fairly amongst those who benefit from it – graduates, their families and the wider public.

The strategy will contain specific proposals on how we intend to:

- Support the research base with increased investment in infrastructure and in research funding alongside reforms to strengthen research assessment. A major new investment in science and engineering will keep UK research at the cutting edge and drive innovation in the years ahead. We have announced a significant increase in the Science Budget, which will be matched by a parallel increase of over £200 million in HEFCE's recurrent funding for university research by 2005–06;

- Put more resources into developing the people who work in universities, with a real impact on leadership, management and recruitment;
- Make sure that excellence in research translates into real benefits for the economy and society. We must build further on the progress which universities and colleges have already made in working with business and contributing to the regional and national economy; and
- Work with our partners to establish a higher education system in which institutions play to their individual strengths in teaching, research, economic impact and knowledge transfer.

Skills for Productivity, Choice in Learning

Of course it is crucial to make sure that young people still in education have the skills they will need for success at work. But it is also important that we raise our game in developing the skills of adults. A third of our workforce are without Level 2 qualifications, lagging behind France and Germany. We need more people, in more businesses, with the knowledge and skills to develop high value products and services, and the innovation to match global competition.

And adult skills are also about fairness and social inclusion. Long-standing weaknesses in our schools have left a legacy of adults who have never had the full opportunity to realise their potential. They deserve that opportunity now.

So we have set ourselves ambitious targets to focus our vision for driving up skill levels and boosting competitiveness. We will reduce by at least 40% the number of adults in the UK workforce who lack National Vocational Qualification level 2 or equivalent by 2010. As a stepping stone toward this, we will help 1 million adults in the workforce to achieve level 2 between 2003 and 2006.

Achieving this is a shared responsibility between Government, employers and individuals. To provide the right reform framework to achieve these goals, we will review the current arrangements for funding adult learning, working with the LSC, so that we provide the right incentives to employers, individuals and training providers. We will work with partners such as the Regional Development Agencies, Sector Skills Councils and employers in this review. We will propose pilots in 2003 of new funding arrangements involving the pooling of funds from different funding bodies.

We will **publish a skills strategy** for consultation later in the year setting out the action we believe is needed on three fronts:

First, we must work with employers to **align the training on offer with the skills employers want**, now and in the future. The new Sector Skills Councils are gathering pace, practical proof of our commitment to put employers centre-stage in education and training. We are expanding the network of Centres of Vocational Excellence – specialist provision that focuses on meeting employers’ skills needs. The first new higher education qualification for 25 years, the foundation degree, which is work based and backed by industry, easily exceeded its recruitment target in its first year.

Secondly, we want to **raise the quality and range of training** offered by colleges and other providers to bring more adults back into learning, raise their achievement, and respond better to the skill needs of local and regional economies. The strategy for reforming further education and training will be crucial in this and requires closer working relationships between local Learning and Skills Councils, Sector Skills councils and Regional Development Agencies so that they can bring their combined weight to tackling local and regional skills shortages.

And thirdly we will **engage more disadvantaged adults in training**. There are more free learning opportunities for adults than ever before, and we must make sure these offer learners the right choice. In particular:

- We will improve the basic skill levels of 1.5 million adults between the launch of Skills for Life in 2001 and 2007, with a milestone of 750,000 by 2004. By this January 124,000 adults had already been helped to improve their basic skills.
- We will help adults make those first crucial steps to re-engage with learning and re-build their confidence – through 6,000 UK online centres, better planned programmes for those not seeking qualifications, programmes from Ufl learndirect, better information and advice. Some of those who go to UK online and **learndirect** centres may stop at a basic familiarity with ICT. But for many others, the rediscovery of learning at a time and place to suit them may lead to skills and jobs they would never have believed were within their grasp.
- We will expand and improve the standard of prison education, equipping more prisoners with the skills they need to get jobs on release. This in turn will contribute to reduced rates of re-offending and to making local communities safer.

7. How will we know we have succeeded?

It is our ambition that by 2006:

Our **youngest learners** will get the best possible start in life through higher quality early education available to all three and four year olds. Primary schools pupils will have a firm grasp of how to read, write and use ICT within a wider curriculum to set them up for their future learning.

Secondary education will look and feel different. **Pupils** will be less likely to fall behind upon entering secondary school because of the individual attention they receive; they will not be distracted from learning by troublemakers in the classroom; from 14 some will be able to choose vocational options if that suits them and will engage in learning for longer.

Our secondary **teachers** will be able to pick up where their primary colleagues left off, thanks to more catch-up classes and mentoring for pupils aged 11–14; they will be able to tailor their teaching to individual pupils. All teachers will benefit from administrative tasks being taken on by more support staff; their teaching will be freer from interruption because of improvements in pupil behaviour; they will be working with fellow professionals to share good practice and drive innovation; and doing their job in more modern surroundings.

Our **parents** will have confidence in secondary schools that mirrors the trust they already have in primary schools; they will be active partners in their children's education.

Our **young people** will get good advice about how to carry on learning and will be encouraged to set their sights high; will receive more help with the costs of their learning if they are from low income families; and will be able to choose from quality courses in further or higher education that better meet their needs and the needs of employers.

Our **adult learners** will be able to gain skills, especially those they missed out on at school, at a time and place that suits them; their employers will do more to develop their skills in the workplace; they will have the same chances as everyone else to improve their quality of life.

