Local education authorities and school improvement 1996–2001

A report on the first cycle of inspections of local education authorities, conducted between 1996 and 2001
1. The inspection by OFSTED and the Audit Commission of local education authorities' support for school improvement began in 1996. The first eight inspections were pilots, carried out with the agreement of the LEAs concerned. The remainder of inspections were carried out by virtue of the powers of Her Majesty's Chief Inspector of Schools (HM CI) under the Education Act 1997. The statutory programme began in January 1998 and was completed in November 2001. By then, all 150 LEAs had been inspected at least once; 18 of these were inspected a second or third time during this period because of weaknesses noted during their first inspection.

2. Ministers requested, and HM CI agreed, that inspections in the statutory programme should initially concentrate on local education authorities (LEAs) whose schools were performing below average. It was not assumed that such LEAs were themselves necessarily performing badly, but it meant that the early part of the programme had a bias towards those LEAs with the most difficult job to do. Also, at ministers' request, HM CI decided to inspect all LEAs involved in the Excellence in Cities initiative early on, thus biasing the first inspections towards urban authorities. These factors make it difficult to trace trends in LEA performance from 1996 to 2001, because the context of inspection changed over the period. Nevertheless, some conclusions can be drawn, albeit with caveats, as shown in section 5.

3. The role of LEAs developed during the inspection period. From 1998, the Education Act 1996 gave them the duty to exercise their functions with a view to promoting high standards in schools. The School Standards and Framework Act 1998 required them to produce education development plans showing how they would plan for school improvement over the next three years. The DfES’s Code of Practice for LEA-School Relations (1999, updated 2001) and the DfES policy paper The role of the local education authority in school education (2000) defined how LEAs should promote school autonomy and should intervene in proportion to schools’ needs. The Fair Funding regulations (1999) obliged LEAs to delegate many functions, and the funding related to them, to schools. The Local Government Act 1999 established the best value regime, by which councils had to evaluate their own effectiveness and the value for money they were providing. The Local Government Act 2000 set a new democratic framework for councils.

4. The inspection system changed to take account of the evolving national context. The Framework for Inspection (1997) defined the basis for the programme, but this was revised slightly in 1999, and more significantly in 2000. Criteria for inspection judgements were issued in 1998. A report was published on each LEA, and those for LEAs inspected after January 1998 are available on the OFSTED web site.

5. After September 1998 inspection teams made three contextual gradings and 42 evaluative judgements, each on a seven-point scale, on each LEA. They also made an overall evaluation of the LEA on a seven-point scale, and after 2000 judged its capacity to make further improvement. The overall list of judgements appears in annex A. The range of judgements is: very good (grade 1); good (grade 2); satisfactory - few areas of major weakness (grade 3);
satisfactory – strengths outweigh weaknesses (grade 4); unsatisfactory (grade 5); poor (grade 6); very poor (grade 7). Those LEAs inspected before September 1998 were graded retrospectively on the evidence of their reports by a team of HMI including the original lead inspector. All LEAs have been informed of their grades in confidence. However, those who were graded as 1 (very good) or 2 (good) on any judgement have been identified, with their agreement, in annex A, to assist the dissemination of good practice. Conclusions in this report about trends over the inspection period reflect the interpretation of the grades. The report deals with the major issues arising from the inspections. The detailed judgements made on each aspect are shown in figures 8–13.

6. In 2001, OFSTED and the Audit Commission produced an interim report on inspection findings, based on the first 91 inspections and 10 return inspections.1 Its recommendations are referred to in section 7 of this report. E-publications covering particular issues addressed within the later LEA inspections will be available on the OFSTED web site.2

2 For example, Recruitment and Retention of Teachers and Headteachers: strategies adopted by LEAs, OFSTED, June 2002.
Main findings

- Over the period 1996–2001 LEAs have learned a new way of working, in accordance with the government’s new definition of their role in supporting school improvement. Expectations of LEAs have increased considerably during this period and they are increasingly meeting this challenge.

- The quality of LEAs as organisations varies very widely. At their first inspection, 29 LEAs gave good or very good support to schools, 80 gave satisfactory support and 41 gave unsatisfactory or worse support.

- In general, LEAs have improved over the period, and recent inspections have increasingly found them to be satisfactory or good. Most of the unsatisfactory LEAs that were reinspected had made progress in a relatively short time. LEAs usually have the capacity to improve further, although the impact of the best value initiative has so far been disappointing.

- Good LEAs have a beneficial effect on some aspects of performance of pupils and schools, but the effect is not great. There is no proven relationship between the quality of an LEA and overall standards of attainment. Other factors, such as the effect of disadvantage, are stronger. The expectation that LEAs should have a major effect on pupils’ standards appears unrealistic.

- LEAs have done a very sound job in delivering many of the government’s school improvement initiatives, such as the literacy and numeracy strategies, and in supporting the Excellence in Cities initiative. They are a valuable source of challenge, support and intervention for underperforming schools. They play an important part in partnership work, in accordance with local priorities.

- They have, in general, been less effective in developing strategies for inclusion of pupils with special educational needs (SEN), partly because of the constraints within which they work, a result of national policy regarding individual SEN statements. They have also been less effective overall in supporting vulnerable children, although the growth of work with external partners promises to lead to improvement.

- LEAs have often been too slow to recognise that schools are customers for many of their services. However, they have recently begun to give more attention to brokering services and providing client support to schools.
7. Since the late 1980s and early 1990s, government policy has been to delegate to schools most of the funding and management responsibility for the education of school-aged pupils and students. The powers of local education authorities (LEAs) in relation to schools were sharply reduced and, when grant-maintained status was introduced, some schools operated altogether outside their control. Many of the new initiatives in schools, such as the National Curriculum, were decided at central government level, and implemented by schools, with LEAs playing a supporting, rather than a decisive, part. LEAs’ powers were also reduced by the removal from them of some other educational functions, such as further and higher education, and the potential loss, through compulsory competitive tendering, of some of their services to schools. During this period, LEAs were searching for a role.

8. LEAs still retained their most basic functions, of providing school places, meeting the needs of pupils with SEN, providing transport and ensuring the education of children with no school place. However, even these tasks became more complex with the introduction of more open enrolment and the development of the grant-maintained sector. As new funding streams developed, LEAs no longer had the authority they had once enjoyed in directing public funds to schools. LEAs now had to work in a more pluralist world, developing a partnership role.

9. During the 1990s, local government reorganisation removed England’s largest LEA, the Inner London Education Authority, and created many new LEAs: the inner London boroughs and the new unitary authorities. About 50 councils, therefore, assumed education responsibilities for the first time, or for very many years. Many of these, and the more longstanding LEAs, set out to meet broader objectives than some LEAs had been used to; concepts such as social inclusion, anti-racism and community cohesion, came to the forefront of many LEAs’ thinking. It was increasingly expected that educational provision would be planned and delivered in a broader context.

10. Within this new world, the Conservative administration (1992–97) and the new Labour administration (1997–) began to give LEAs a new role. Crucially, LEAs were given the duty of ensuring that they promoted high standards of education. They were obliged to set strategic objectives, negotiate targets, allocate resources in proportion to needs, and monitor, challenge, support and intervene in schools as necessary, while leaving the actual management of education to the schools themselves. Alongside this new, enhanced and more difficult role for LEAs, went the requirement to be inspected by OFSTED.

11. Our inspections show that LEAs have a fundamental role in planning the context within which schools work, in tackling tasks, such as local partnership work, which are beyond the reach of individual schools, and in disseminating good practice. Furthermore, LEAs as a whole have made a major contribution to the national literacy and numeracy strategies, which have led to a rise in pupils’ standards. A large majority of LEAs have given at least satisfactory

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3 Losing an empire; finding a role, Audit Commission, 1989.
support to schools whose performance causes concern. They have generally given effective support to the Excellence in Cities initiative, and increasingly beneficial support to the initiatives to support minority ethnic pupils. They can also help individual schools to improve: that was the case in 90% of a large sample of schools visited as part of LEA inspections in 2000/01. For instance, they helped schools to give better support to pupils with SEN, or helped to improve the quality of school management.

12. However, the evidence of inspection does not support the view that the performance of pupils, when measured on the key national indicators, is overall, better in well-run LEAs than in others. Indeed, our analysis suggests that good performance by schools across the board is more associated with their socio-economic context than it is with the quality of their LEA. The view that LEAs can, overall, have a major effect on standards appears, therefore, to be unrealistic. Given the number of other factors affecting standards, and the fact that many of these (such as the nature of the intake of a school or the quality of its teaching) have a more direct influence, this conclusion is hardly surprising. The fact that LEAs have had steadily diminishing control over the use of educational funds also makes it all the more unlikely that they can have a major effect on the standards pupils achieve. Nevertheless, our analysis does show that when a particular service or function of an LEA has significant strength, it is often associated with relevant strengths in the schools, and in a few LEAs, the inspection teams came to the view that that authority was having an overall impact on standards. These LEAs were, inevitably, among the best.

Trends over the period 1996–2001

13. It was clear from the early inspections of LEAs that all was not well in the period 1996–99. Many of the first LEAs to be inspected were struggling with the redefinition of their role. Some were having difficulty in convincing schools of the value to them of this new role. Although the majority of LEAs inspected in these first few years performed most of their functions at least satisfactorily, 22 of the first 56 to be inspected were unsatisfactory or worse. A significant minority made such a poor job of it that the government intervened to bring about improvement. Some of these weaker LEAs could not gain the trust of schools, some failed to identify schools’ needs and some provided inconsistent services. From the beginning of this period there were other LEAs that understood perfectly the new role that government ascribed to them, and often these authorities constructed a new relationship with schools which encouraged their autonomy, but challenged them if their performance began to slip.

14. Over the whole inspection period (1996–2001) the proportion of LEAs achieving satisfactory standards of provision steadily rose as they learned how to operate within their new role. By the end of the period, even though expectations of them were steadily rising as government provided them with more responsibilities, such as the delivery of new national strategies, an increasing proportion of LEAs were achieving good standards of provision and delivering government strategies effectively. However, weakness continued: even in the last year of inspection, four authorities inspected for the first time were found to be unsatisfactory. Overall, from 1996 to 2001, seven of the 150 LEAs were adjudged to be very good, and 22 to be good. Eighty LEAs were satisfactory and 41 were unsatisfactory or worse.

15. LEAs improved in several ways during the inspection period. They became more focused in their support to schools, and managed that support better. They implemented their statutory
duties better regarding pupils with SEN. They became more effective in meeting the needs of some groups of vulnerable pupils. Where aspects of support, such as that for information and communication technology (ICT) were relatively weak at the beginning of the period, they had improved by the end. The management of education departments generally became more efficient, and the links with corporate aims clearer and more effective.

16. The history of LEAs in recent years has been one of fairly coherent improvement. They have been subject to very many external and internal pressures and influences, and often one new initiative has arrived well before the previous one has been implemented successfully. The effect of these initiatives and influences has been broadly harmonious in at least this minimal sense: that it has not been often that they have actually worked in opposition to each other, and at best there has been some congruity among them. Therefore, the better-managed authorities have been able to adapt and move forward in a consistent and purposeful way, for instance, integrating school improvement and broader, corporate regeneration work. However, the range of policy initiatives that make up much of the context for LEA work is very complex. For instance, managing the relationship between LEAs’ need to plan school provision and the policy of promoting parental preference can be challenging.

17. Most fundamentally of all, LEAs now have a better definition of their own role than they had five years ago, and they have learned a great deal during the period. They have a clearer focus on meeting their statutory obligations, and their overriding commitments both to school improvement and to meeting pupils’ and parents’ rights and needs. Work has been gathered around a core of activities. This has meant that some of the work they previously undertook has now passed on to other bodies, such as consultancies, or is performed by schools themselves. This has usually led to a sharper emphasis on improving school performance. Very many, if not all, authorities have reorganised their functions to achieve this new focus. Tasks that were interesting and useful, but ultimately dispensable, have often been dispensed with.

18. LEAs are generally now very comfortable with the principle that schools are autonomous bodies. They accept that pupils will receive a better lot only if the schools can manage their own improvement. They recognise that their own role as an LEA is to support and challenge the school, and to leave it to manage its own development if it is performing well. The days when an LEA could create a mould for its schools, if ever they existed, are now gone. This recognition of genuine self-management by schools has caused good LEAs to become more dispassionate and evidence-based in their approach, and more influential in school improvement. Working within a clear framework of priorities and procedures appears to have allowed school improvement officers and specialist LEA services to have more effective working relationships with schools.

19. It appears that LEAs may have been influenced in their recent developments by their awareness that central government would not tolerate poor performance by an authority. Its intervention in a minority of LEAs has been well publicised and there are indications that other LEAs have responded rapidly to knowledge of the consequences for those inspected early and found wanting. Council leadership frequently expressed great interest in aspects of their educational provision when recognising that a particular weakness might lead to intervention. This sometimes seems to have been a factor in rapid improvements of resourcing or policy development in an aspect.
20. In more general terms, the greater accountability of LEAs, through the publication of their inspection reports, and the collection and publication of their performance indicators, has been a significant influence. Council bodies, such as education committees and, more recently, scrutiny panels, became much more vigorous in evaluating the performance and impact of the education department and the value for money it provided. In some cases, where poor performance by an authority was exposed by an inspection report, a council established a monitoring panel to oversee future progress; in several instances this has been highly successful.

21. Underlying this steady, though not comprehensive, improvement among LEAs, has been the enhanced availability of management information. An LEA in 2002 has far more information about its schools, pupils, services, and indeed about the local population’s needs, than its counterpart in 1996. Ofsted’s school reports and public examination and assessment data give reliable information about trends in standards and quality over time, and provide the basis for an LEA school improvement strategy. More detailed service data, for instance about the reintegration to school of excluded pupils, makes it possible for officers and members to measure more accurately the effectiveness of an LEA’s provision. Fuller information about, for instance, community provision, enables the better focusing of family learning and study support. Although there is still great variation in the extent to which LEAs make good use of such management information, it is already clear that the better authorities have used it to target their resources and strategies more skilfully.

22. Throughout the period, central government has required LEAs to produce an increasing number of plans to demonstrate how they will achieve various national objectives, such as reduced infant class size, improved standards of literacy, or better provision of school places. At times this growing weight of demands has been a very heavy burden for local government, and some LEAs have found it difficult to relate the various plans to each other. Nevertheless, this has imposed an order on the system, based on priorities and principles. The effect has been to guarantee a level of planning that has protected key matters across the whole system and ensured some comparability of approach. There is no maintained school in the country, for instance, untouched by the implications of asset management planning: all have had condition assessment and every LEA has a register of all schools’ physical needs and priorities. Perhaps more significantly, LEAs have become more sophisticated in their action planning, and in relating individual service plans to corporate priorities. This has led to more transparency within education departments about their work, and to better-informed evaluation by senior officers of the effectiveness of LEA policies and strategies. At best, this leads to planned co-operation between teams, using resources allocated to needs, aimed at achieving agreed objectives.

23. The national collegiality of local authorities has been a factor that has supported improvements in the system through dissemination of good practice. The Education Network, an association of LEAs, has examined the lessons that can be drawn from LEA inspection reports, and has contributed usefully to improving the system of LEA inspection. The Virtual Staff College has provided further co-ordination of training. Examples of the pairing of LEAs have borne fruit and the LEA Improvement Forum, sponsored by the DfES, has begun to bring stakeholders together in an attempt to build management capacity in LEAs.

24. Although the overall trend throughout the inspection period was one of improvement, it is clear that impediments to progress continue to various extents, such as structural issues, attitudinal problems and issues of expertise.
25. The first structural issue concerns funding. The national system for LEA and school funding is very confused and illogical, and has suffered from piecemeal adjustment since the delegation of school funding began in the early 1990s. LEAs receive from the government money to support their strategic role, and the functions they perform, and for school budgets. Funding is not earmarked, nor is it allocated to LEAs on a transparent or widely agreed basis. Each LEA, after discussion with schools, retains a proportion of the total determined by the elected members, and delegates the remainder to schools, on a formula based on their respective locally assessed needs. Government regulation requires LEAs to delegate a significant proportion, and to justify what they retain. Nevertheless, the principle underlying the system, that an LEA and its schools share the same budget, means that Peter can only gain at the expense of Paul. It does not fairly represent the reality: that the LEA and the schools have fundamentally different jobs. The government has realised this and acknowledges the need to devise a better system of funding. This would be aimed at providing resources more equitably to every school and LEA across the country, related to their respective needs, while still permitting local democratic control. However, a new system has yet to be implemented and tested.

26. Another structural issue concerns the national system for supporting pupils with SEN. Based on the Education Act 1981, this creates, for pupils with SEN statements, individual rights to resources that their LEA must secure. Of course, LEAs are extremely committed to meeting these pupils’ needs, but it should be noted that this is the only area of educational administration where the LEA is at the mercy of a financial demand that it cannot control once a statement is issued. Parents and schools seek SEN statements as a guarantee of appropriate provision. Succumbing to that pressure places a constraint on the extent to which the LEA can deploy its resources to tackle other SEN, or indeed other educational, priorities, unless rigorous review of each statement is undertaken regularly. Many LEAs have gone a long way to establish fair criteria for statementing, and some have given greater responsibility to schools for meeting the needs of pupils with the potential for statements. Nevertheless, there is a lack of reasonableness in the system within which LEAs have to work that impedes their efficiency.

27. The second impediment to progress has been certain attitudinal problems. The national best value regime, instituted in 1999, obliged local authorities to evaluate their own services. They were supposed to use this as an opportunity to re-appraise fundamentally what they do and why. As section 6 of this report shows, it has so far been disappointing in its impact. LEAs were often over-cautious in their approach to self-evaluation. Too often, an education department chose a non-threatening methodology and, very often, the result was a less radical action plan than might have resulted from a less constrained review. This should not imply that LEAs are unselcritical, indeed our evidence suggests the opposite; rather, it is that their interpretation of this particular improvement methodology has so far been insufficiently effective.

28. Another attitudinal problem has been a general reluctance among some LEAs over the period to encourage schools to develop their capacity as customers. Perhaps naturally, when schools acquired large delegated budgets for services previously supplied automatically by their LEA, some authorities were less than enthusiastic in encouraging them to acquire client expertise and survey the range of possible suppliers. Consequently, schools did not always gain good value for money from the service they obtained, be it from their LEA or elsewhere. It was more evident at the end of the inspection cycle, however, that good LEAs were committed to
brokering services to schools on a fair and independent basis. They became much better at developing service descriptions, and they improved their capacity to deliver services at different levels in response to schools’ needs. Also, during the period, it became more common for services supplied to schools by other council departments, such as property maintenance, to provide better value for money.

29. The third impediment to improvement, now considerably reduced, was the lack by some LEAs of appropriate expertise in school improvement. At first, too many LEAs had expertise in areas where it was no longer necessary. In the early days some schools that were a cause for concern received inadequate support from their link adviser. In general, LEAs then reduced their commitment to making freely available curriculum subject support, and refocused their work on school effectiveness, according to need. LEAs have often consequently restructured and recruited new staff. This has necessitated major shifts in job descriptions, professional development and performance management. It has also had major implications for school improvement career structures, and has led to greater interchange of staff between schools and LEAs through secondments.

30. Overall, inspection has shown that LEAs have improved. Furthermore, it has shown that they have the capacity to improve further, mainly as a result of their refocusing of work, their improved project management and their better use of management information to plan tasks. Only seven of the last 59 authorities to be inspected were judged to have an unsatisfactory capacity to address the recommendations of their report. LEAs now usually have senior officers and middle managers in place who have experience of pushing through necessary and valuable reforms, and who have the vision to identify what needs to be done next, and how. They generally work with the support of well-informed elected members, committed to education as a council priority. This is very different from the situation in many LEAs at the beginning of the inspection cycle, and it augurs well for the future.
31. The characteristics of good LEAs are defined in the criteria for inspection, the present version of which is available on the OFSTED website. Overall, 29 LEAs were judged to have met the criteria for grade 2 (good) in their first inspection, and seven of these exceeded them and were therefore very good. To illustrate the basis on which judgements were made, the paragraphs that follow paint a picture of three good or very good LEAs, all inspected in 2000 or 2001. They served areas ranging from disadvantaged to favoured. One had a very high level of funding, but the others were broadly average.

32. Standards of attainment in each of the three authorities were at least in line with those of similar authorities, and were often improving faster than the national rate. In two of the LEAs no school required special measures, and in the third, a large authority, there were only two in this category.

33. Two of the LEAs had very good education development plans (EDPs), and the third had a secure system of strategic planning (although its EDP had weaknesses). Political and professional leadership were good or better, as were most aspects of the focus and management of school improvement work. The three authorities had a common commitment to improving educational standards, even where they were already high, and to continuous improvement in the services they provided or secured for schools. Their council policies gave prominence to education as a priority, in certain cases as part of an overall drive for regeneration or social inclusion. Their strategies and services for supporting pupils with SEN or at risk of social exclusion were not always as good as other aspects of their work, not having advanced as far as other aspects of school improvement. Nevertheless, they were generally very secure, and in some instances very good.

34. Many other LEAs in the country shared some, or indeed many, of the attributes mentioned above. What distinguished these three authorities, and others of their overall quality, was the reliability and sensitivity of their support to schools. They established a very secure infrastructure, with appropriate provision of school places, sound systems for targeting resources on priorities, and often provided or secured good management support services. They provided leadership to schools, for instance, on the broader social issues such as combating racism, which required a response that must go beyond the individual school, and on professional matters such as the induction of teachers, where, again, schools have benefited from the wider resources of the LEA. These LEAs had established networks of school managers that promoted professional dialogue between schools. They had school improvement programmes that were based firmly on good data about the schools, and on occasion were innovative. They used this knowledge to intervene early if a school was beginning to cause concern.

35. Overall, these successful LEAs had provided the secure basis from which their schools could move forward. They set clear targets for schools, enriched their understanding of how to achieve school improvement, gave them support where it was needed, but did not hesitate to act firmly when their progress was inadequate.
Performance of LEAs in support for schools

36. Each LEA was inspected at least once between 1996 and 2001, and inspection teams made judgements on up to 42 detailed aspects of the LEAs’ performance. The judgements on each LEA’s first (or only) inspection during 1996–2001 are summarised in figures 1–14. These judgements provide important and useful insights into LEAs’ work during this period.

37. The judgements of inspectors (see figure 1) were that 29 of the 150 LEAs discharged their functions well or very well, 80 discharged them satisfactorily, and 41 were unsatisfactory, poor or very poor. That more than a quarter of LEAs made unsatisfactory provision is disturbing. The LEAs inspected for the first time most recently, however, were far less often unsatisfactory. Moreover, 18 LEAs were reinspected after a year or more, because of their previously unsatisfactory or worse performance, and 11 of these had improved their performance to a satisfactory or better level.

Figure 1. Overall performance of the LEA in discharging its functions
38. The 42 inspection judgements (see annex A) are grouped into six broad sections, as shown in figures 2–7: strategy for school improvement, support for school improvement, strategic management, management services, support for SEN, and support for access to education. In each section, over the whole inspection period, more LEAs were found to be unsatisfactory at the time of their first inspection than were good. The number of LEAs making good provision ranged from 2 (access, and management services) to 16 (strategic management).
Figure 3. School improvement support: average grades
Figure 4. Strategic management: average grades
Figure 5. Management services: average grades
Figure 6. Provision for special educational needs: average grades
A more detailed analysis provides further important messages. First, a large minority of LEAs were unsatisfactory or worse in their targeting of resources, their definition of monitoring, challenge, intervention and support, or their provision of support where schools needed it most (see figures 8 and 9). However, it is significant that quality in these aspects had risen markedly by 2000–01. Second, the leadership by senior officers was more often good than that by elected members (see figure 10). Indeed, the difficulties that had arisen in some LEAs could be traced to unsatisfactory or poor political leadership. Third, management support services such as human resources and financial support, which are closely related to school
improvement work and have a significant strategic aspect, were generally better than other management services such as property services (see figure 11). The latter were more often managed by departments of the council other than the education department. Finally, although LEAs generally met their statutory responsibilities for pupils with SEN and for child protection, they were too often ineffective in meeting the complex needs of vulnerable pupils such as those with behaviour difficulties, those educated otherwise than at school, or those in public care (see figures 12 and 13).

**Figure 8. School improvement strategy - percentage of LEAs judged good, satisfactory or unsatisfactory**

**Figure 9. Support for school improvement - percentage of LEAs judged good, satisfactory or unsatisfactory**
Figure 10. Strategic management – percentage of LEAs judged good, satisfactory or unsatisfactory

Figure 11. Management services – percentage of LEAs judged good, satisfactory or unsatisfactory

Figure 12. Provision for special educational needs – percentage of LEAs judged good, satisfactory or unsatisfactory
Aspects of improvement in LEAs over the inspection period

40. A comparison of the judgements made on LEAs inspected in 1996–99 with those inspected at the end of the cycle is illuminating, although there is some distortion arising from the fact that some of the LEAs inspected first were ones whose task was the most difficult. Although some of the LEAs inspected in the early years of the cycle had satisfactory strategies for school improvement, others were very unclear about their priorities. Since then, expectations of LEAs’ strategic leadership have increased greatly as a result of new legislation and the Code of Practice for LEA-School Relations, but the LEAs have generally come up to expectations. By the latter stages of the inspection cycle, very few LEAs were found to have unsatisfactory strategies. The establishment of the EDP process in 1999 aided the clarity of LEAs’ school improvement strategies. By 2001, typically, LEAs had identified sound priorities that linked to council aims and other statutory plans. These priorities were manageable and had been adjusted to meet emerging needs. About a quarter of the authorities inspected at the end of the cycle had good strategies and these were much better than almost any seen in the early days. Characteristically, they showed a particularly close match to local circumstances and a good correspondence with school development plans.

41. The extent to which LEAs targeted their resources on priorities also improved over the period. In the early part of the inspection cycle, it was common to find budget decisions being driven by financial considerations rather than determined by strategic objectives. In some cases, resources were used without good evaluation of need, and expensive services were not being evaluated or surplus school places maintained for no good reason. By the end of the cycle, it was much more common for schools to be fully involved in consultation about the funding formula, and for resources to be allocated in line with agreed and appropriate priorities. In accordance with government policy, the funding delegated to schools has increased over the period and some LEAs have developed activity-based formulae for its distribution, although the lack of resources has often limited full implementation.

42. At the beginning of the inspection cycle LEAs were often having difficulty in satisfactorily defining their school improvement functions, particularly their processes for monitoring, challenging, supporting and intervening in schools. Characteristically, LEAs were unclear about what one described as ‘leadership in partnership’ and some tended to try to provide
support to schools across too broad a range of priorities. Too rarely did they give schools
effective support in identifying their own weaknesses and managing their own system for
improvement. Although the actual quality of support given was often expert and detailed,
the extent of support available on demand restricted the capacity of an LEA to mobilise and
focus support on the schools that needed it most.

43. The period 1998–2001 was one of great change for most LEAs. Many re-focused their work
so that support was given in closer proportion to need, and schools had a better
understanding of the rationale for the provision, which derived clearly from the authority’s
EDP. Support to schools had become more transparently based on the interpretation of a
range of data. In the best of LEAs inspected most recently, this was the product of cross-
service reviews drawing on information from support services, consultants’ visits, schools’
own self-evaluations, OFSTED reports and other data. In many LEAs link advisers or officers,
headteachers and governors now jointly analyse performance, and schools are given clear
and agreed evaluations of their performance and development needs. The triggers for
intervention by the LEA have become clearer. It has become less common for LEA staff to use
lesson observation as a major source of evidence, except where this is, appropriately, the
basis for consultancy work in literacy and numeracy. Instead, officers and advisers make
increasing use of other sources of evidence, such as OFSTED reports, thus making better use
of their own time. Over the inspection cycle it became more common for schools to be
challenged robustly and legitimately by advisers or officers across a range of functions.

44. LEAs have also significantly improved the performance management of school improvement
work since 1998. Whereas on average it was unsatisfactory in the authorities inspected then,
by 2001 it had generally become very sound, and was good or very good in four of the last
10 authorities inspected. Induction of new advisers and officers was becoming more
systematic and training programmes better focused. Tasks and outputs were more tightly
defined. Even towards the end of the cycle, however, some services were over-burdened
because they were carrying staffing vacancies, or had reduced in size but not to the same
degree in their workload. The ability of school effectiveness services grew steadily over the
period as authorities defined these services’ work better and often equipped them with better-
qualified staff. The expertise of advisers and officers was very sound, good or very good in
nearly all of the last 10 authorities inspected. Some of the most effective LEAs employed
relatively few secondary link advisers, but recruited at a high level. Headteachers who also
had a background in inspection, either as registered inspectors or through other OFSTED
training, often made the most effective link advisers, but they were also expensive to recruit,
particularly at secondary level. Seconded headteachers or deputy headteachers generally had
strong credibility, but sometimes lacked experience of inspecting and had specific training
needs that needed to be met rapidly as they were often only seconded for a year.

45. A relative weakness, especially in the early part of the inspection cycle, was a tendency for
LEAs not to evaluate their school improvement strategy with sufficient reference to its impact
on schools. However, in the better authorities, and more evidently later in the cycle, the
impact of advisers and school effectiveness officers was assessed against school
performance data, the views of consultative groups, and meetings with headteachers.
Crucially, LEA inspections showed that school improvement services, in conjunction with
management support services, were increasingly effective in supporting improvement in a
large proportion of schools visited as part of our inspections. In 1998/99 LEAs had been
effective in two thirds of the schools visited. In 2000/01 LEAs had been effective in 90% of
a large sample of schools visited, and very effective in almost half of these. In general, by 2000/01, LEAs were judging accurately the quantity of support they should give to schools: this was very appropriate in about 45% of those visited, appropriate in about 45% and in only 9% was it inappropriate. Particularly significantly, the proportion of LEAs giving good support to schools causing concern rose from 14% in 1998 and 1999 to 30% in 2000 and 2001.

46. At the beginning of the inspection cycle LEAs’ strategic management of education was broadly satisfactory. Even so, during the period 1996–2001 almost every aspect showed improvement, for instance, the quality of leadership by senior officers and the speed, transparency and effectiveness of decision-making. LEAs became better at evaluating their plans for education and monitoring their implementation. However, a few LEAs gave poor leadership, even as recently as last year. The quality of leadership by elected members was broadly satisfactory across the period, but did not improve much.

47. The early part of the inspection cycle was a time when many LEAs were in transition, developing a new type of relationship with schools in which school autonomy was more significant. Some LEAs took longer to release the reins than others, and some moved more confidently than others to giving strategic support and leadership rather than aiming to provide detailed management. For many authorities this happened at the same time as local government re-organisation with some councils taking on education responsibilities for the first time. Also, many LEAs were then grappling with embedding educational planning into their strategies for regeneration, community safety or environmental management. In many cases, particularly in urban unitary settings, this was the first opportunity they had had to do this. For some, this complex of issues, and the challenge of establishing new relationships, led to confused strategic management.

48. By the end of the cycle most LEAs had resolved the issues. Education was nearly always high on councils’ list of priorities and secure links were generally established with other statutory plans. There was frequently cross-party agreement on the main education policies and the relationship with schools generally involved good consultation. LEAs had become better at evaluating educational progress, though more often through corporate monitoring of performance indicators than through elected members’ scrutiny arrangements. Financial decisions were often more transparent than previously, and LEAs were generally moving towards clearer medium-term planning. Some LEAs still vacillated over politically hazardous decisions, such as school reorganisations, but in general, elected members gave sound leadership and embraced the new relationship with schools. Some authorities, often the smaller ones, were establishing contractual links with other councils or private companies to deliver some responsibilities for them. The leadership provided by senior officers, already strong, improved throughout the period. It was increasingly evident how officers learned from networks across authorities, and from key messages emerging from other LEAs’ inspections. It was also apparent that council chief executives were maintaining an increasingly close relationship with education departments, especially where improvement had been necessary.

49. During the period, government policy placed an increasing emphasis on partnership between LEAs and other agencies. This was a fairly strong aspect of the work of LEAs at the beginning of the cycle, but even so there was further improvement, and half of the last group of authorities to be inspected were good or very good at partnership work. This absorbed a
great deal of senior officers’ time in joint planning with, for instance, health trusts and police authorities. It led to greater complexity in the work of LEAs’ middle managers but provided the opportunity, not yet always realised, of enhanced services to schools, pupils and parents.

50. Given the very sound level overall of strategic management of education, it is perhaps surprising that as recently as 2001 several LEAs still provided poor leadership. Characteristically this involved a failure to establish clear policies on which decisions could be based.

51. In the early part of the inspection cycle LEAs’ performance in supporting pupils with special educational needs (SEN) was much the least successful aspect of their work. By the end of the period LEAs had not only improved their SEN work significantly, but improved it so much that it no longer stood out so markedly as a relative weakness. The greatest improvements had been made in meeting statutory duties, mainly regarding the assessment of and support for pupils with statements of SEN. These improvements were reflected in responses to the school survey, which showed a more positive picture in respect of SEN assessment in 2001 than in 2000.

52. During the period, LEAs improved the speed with which they assessed pupils with SEN. In 1996/97 only 48% of statements were prepared within 18 weeks, but that proportion had risen to 75% (excluding those involving other agencies) by 2000/01. Many LEAs also made progress in establishing systems for ensuring equity in the assessment process through moderation panels and the use of robust criteria. By the end of the period many LEAs were also experienced in using parent partnerships, and were in the process of establishing conciliation and mediation systems to relate to parents. In some cases these developments represented marked improvements over what was often seen in early inspections, when statementing criteria could be unclear, and the statutory assessment process frequently long and drawn-out. This is not to say that the situation is now entirely as it should be. There is still variety among LEAs in the criteria used for issuing statements. Therefore, the mere fact of producing them in a timely fashion, although this often represents a major administrative task, and one which consumes significant LEA resources, does not guarantee that the educational provision made is appropriate, or even the same as would be found in a neighbouring authority. This may well be an aspect where a national focus on a particular target has deflected attention from the more important underlying issues.

53. Nevertheless, it is still clear that the quality of support given to schools by LEAs in supporting pupils with SEN did improve over the inspection period. This was satisfactory overall in 1998, but never good in that year. Inspections noted problems such as variability in the effectiveness of specialist services’ support for pupils and in the speed of their response to schools, and insufficient provision by educational psychology services. However, there were signs of joint planning between specialist teams and of effective support for school SEN co-ordinators. These had developed considerably by 2001, with LEAs extending the range of training provided for mainstream staff, supporting schools in SEN target-setting, and linking services better across the LEA. During the inspection period, responses to the school survey showed growing satisfaction with LEAs’ support services. Increasingly, LEAs had developed systems for allocating resources better so as to meet schools’ needs. In some authorities the educational psychology services, even where hard pressed, were developing innovative

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1 The Audit Commission estimates that the average cost of producing each SEN statement is about £2,500: SEN Policy Focus Paper, 2002.
2 The cycle of LEA inspections took place before the introduction of the new SEN Code of Practice 2001.
practices. However, problems still remain, particularly in the availability of educational psychology support, and in the range of demands made upon them.

54. The most difficult area for LEAs continues to be the implementation of a clear and coherent strategy for SEN that demonstrates how the inclusion of pupils will be developed. In the early days of LEA inspection it was unusual to find an authority that had a good strategy on which it had consulted fully with schools. At that time, although LEAs might have service plans setting out what they provided for schools and pupils, they generally lacked a prioritised action plan for improving provision, and their work to improve SEN inclusion needed better co-ordination. However, the quality of strategic planning had improved by 2001, although the school survey shows that schools were often unconvinced of this. Most LEAs inspected in that year had convincing plans, in which the principles of inclusion were embedded, and these authorities were extending practical support to mainstream schools so that they could meet the needs of most pupils with SEN, including some with complex needs. The roles of special schools were being reviewed, so that they could provide more outreach support to mainstream schools, and the proportion of pupils placed outside the authority was often reducing. In general, the LEAs with the clearest strategies have gone far in helping schools to develop their capacity to differentiate their provision.

55. It is not surprising that LEAs have had difficulty in developing coherent SEN strategies. They are constrained by the requirements of the Education Act 1981, which forces them to provide whatever resources are needed for pupils with statements, and does therefore not allow them full control over their own budgets. Poorly defined criteria for statements, and a reluctance to review the resourcing of statements on an annual basis, combined with the potential problems of facing parental challenge, has led some LEAs into difficulties. The transfer of responsibility for pupils with SEN to the schools themselves, which is implied in the notion of autonomous schools, conflicts with the legislative position, which puts authority in the hands of the LEA. The steady delegation of SEN powers to mainstream schools brings a need to review funding formulas, and then a need to develop new systems for scrutiny of schools’ use of the funding, and for intervention if necessary. Very few LEAs have yet coped with all these changes successfully. Only two authorities out of 150 had strategies of the highest quality, an indication of the challenging nature of this work. Even LEAs that excelled at many things had some difficulty in, for instance, planning the resourcing of medium-term developments in inclusion, or in securing appropriate provision for the full range of pupils’ needs. The resolution of these issues requires very good local political leadership, and very effective partnership with parents and the health service and social services.

56. Over the period, though, LEAs did improve their capacity to judge the effectiveness of their SEN policies, and to provide value for money. Whereas this had often been weak in 1998, it had become more secure by 2001. By then, the better authorities had developed systems for monitoring the spending of SEN funds and, at best, for measuring pupils’ progress. Financial planning had become more secure and, at best, future trends in spending needs were based on appropriate data. This represents significant improvement in a notoriously challenging aspect of LEA administration. The proportion of statemented pupils attending special schools outside their own LEA is reducing. Nevertheless, the lack of regional co-ordination and joint planning of SEN provision, except where authorities have established co-operative arrangements, requires LEAs to work in an artificial context, especially where LEAs are small and unlikely to be able to offer a full range of provision. The recent establishment of 11
regional partnerships therefore augurs well.

57. It is less possible to make a clear analysis of trends over time in LEAs’ access work because this aspect was not inspected fully at the beginning of the cycle. However, it is apparent that there have been improvements in the functions that have been inspected throughout the period: support for attendance and behaviour, and for pupils educated out of school. In the early part of the inspection cycle the quality of these functions varied greatly, sometimes even within one LEA, but it was barely satisfactory overall. By the end of the cycle, attendance support was usually satisfactory, though behaviour support and provision for pupils educated out of school had improved less and were still unsatisfactory in almost one third of the last 25 authorities inspected. However, government policy on social inclusion has become increasingly focused as the cycle has progressed, and inspection expectations have risen correspondingly. This is particularly so with regard to the education of children with no school place, where what was regarded as satisfactory in 1996 was no longer seen as such in 2001. Even when judged against a standard that has itself risen, provision for this group of pupils has improved a little, though still insufficiently, throughout the cycle.

58. It is also apparent from those latest inspections that, still, very few LEAs achieve success across all the aspects now inspected, which include those functions and also child protection, children in public care, and strategic action to combat racism and promote social inclusion. Despite the general rise in quality of LEAs’ social inclusion work, only nine of the last 25 authorities inspected achieved a satisfactory level in all of the social inclusion functions. Only two LEAs out of the total of 150 achieved a good level on average across this whole area of work (see figure 7). This is partly because of the variation between different services in many LEAs. For instance, in one authority behaviour support was very good, but provision for children in public care was unsatisfactory. In another, provision for children without a school place was good, but support for behaviour was poor. LEAs find it difficult to manage a uniform level of quality across the whole range of functions. This may well be because each has its own challenges: some require close working with social services, others require good SEN strategies, and so on. Few authorities have so far achieved consistency across the piece, and none have yet been judged to be good in every one of the social inclusion functions. Where an LEA approached this level of excellence, it was generally the quality of work to combat racism that was relatively weaker.

59. Those authorities that have achieved most success across the whole range of social inclusion work have given great attention to co-operative working between specialist teams within the education department, and to the effective collection and use of management information. This has led to careful tracking of the progress and well-being of vulnerable children. Elected members have given high status to development work in these LEAs, and headteachers and governors have been fully involved in the establishment of overall strategy. Demanding targets have been set for progress. Schools have been encouraged to develop alternative curricula, and inter-agency work links schools to family support systems. While none of this is entirely new, it was apparent by 2001 that some LEAs were planning this much more strategically than they were at the beginning of the inspection cycle.

60. Many authorities have had particular difficulty in establishing strategies for behaviour support, and this is often linked to their problems in achieving a SEN strategy, and an overall inclusion policy. Most LEAs provided some effective elements of support, most often through a behaviour support service, though even this was usually regarded a little critically in the
school survey. Good services supported some individual pupils and gave useful advice to staff, often in conjunction with Excellence in Cities provision. However, the problem for LEAs was usually in providing an adequate quantity of such support and, more fundamentally, in establishing a full range of provisions to meet the range of pupils’ needs. A characteristic of the weaker authorities over the period was a failure to manage the complexities of provision, and to establish a clear relationship between that which schools provided for themselves and that which the LEA provided.

**Overall capacity for further improvement**

61. Since September 2000, inspection teams have judged LEAs’ capacity to make sustained improvement. The criteria underlying this judgement relate to an LEA’s leadership, track record, planning systems, use of resources and partnerships. This judgement, albeit one that, for reasons already stated, has not so far been applied to many LEAs facing the greatest challenges, suggests that there are considerable emerging strengths in LEAs, and that more improvement can reasonably be expected. Inspectors judged that 88% of LEAs inspected since 2000 had at least a satisfactory capacity to improve, and 29% had a good capacity to do so (see figure 14). Interestingly, the judgements about LEAs’ own self-improvement processes were not so positive, because LEAs had often got into difficulties with the application of the best value regime (see section 6, and compare figures 8 and 14).

![Figure 14. Capacity to improve and to address the inspection recommendations - percentage of LEAs judged good, satisfactory or unsatisfactory](image)

*Note: Only LEAs inspected since September 2000*

**Variations between types of LEA**

62. The effectiveness of LEAs is judged in terms of the extent to which they are meeting the needs of their particular locality. There are both good and ineffective LEAs in socio-economically

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6 The inspection criteria valid from January 2002 are available on the OFSTED web site; in this instance, the same criterion (now numbered 51) was used during the period 2000–2001.
advantaged areas and also in relatively disadvantaged ones (see tables 1 and 2 in annex B). This has not changed over the period 1998–2001. The range of quality is greatest among inner London boroughs.\(^7\) However, there is a tendency for LEAs serving the more prosperous areas to perform better than other groups of authorities on almost all the key inspection judgements (see figure 16 in annex B).\(^8\) There was also considerable consistency among the LEAs in this group, whereas the performance range among the authorities serving disadvantaged areas was greater. Despite that range, the judgements on the disadvantaged LEAs were on average less positive than for other groups of LEAs. An interesting finding, though, is that the good performance in LEAs that are relatively advantaged did not extend to their strategy for social inclusion.

63. Problems experienced in some of the LEAs serving disadvantaged areas, such as lack of vision for education, poor political leadership and a backlog of problems such as surplus places, were found slightly less often in the prosperous areas. There was, though, no simple correlation between socio-economic advantage and quality: several of the best LEAs served disadvantaged areas (see figure 16).

64. Even the best of the LEAs serving more advantaged areas have not always developed strategies for SEN or access to the level of sophistication of other aspects of their work. While there was always useful activity in these LEAs, there was not always the same level of co-ordination of SEN strategy and/or access strategy as there was in the best of the disadvantaged LEAs, perhaps because the issues were a more pressing problem in the latter areas. Some of the latter had developed clearer strategies, provided better targeted support to schools, and, in some cases, had set up inclusion projects to promote improvement in the schools most affected by social circumstances. However, this work can be very expensive, and the more disadvantaged LEAs sometimes depend for the range and strength of their work on additional funding such as the Excellence in Cities initiative, the Single Regeneration Budget or the European Social Fund, as well as the higher funding that might accrue from their Standard Spending Assessment (SSA).

65. To determine whether some types of LEA are more likely to be effective than others, key inspection judgements were analysed for county, metropolitan, unitary, inner London and outer London LEAs (see figure 17). The range of quality of inner London authorities was greater than that of any other type, but the average inner London LEA was better than the other types on most key judgements. Metropolitan authorities tend to score lower than other types on a range of key inspection judgements, though this type of LEA also includes some good LEAs. There was less variation among outer London authorities than the other types, and they were not, as a group, a leading performer on any of these judgements. These general points made, there is little of significance that can be drawn from this analysis. The type of LEA is not an indication of its likely quality.

66. A similar analysis has been undertaken to determine whether there is a relationship between the quality of an LEA and the funding available to it (see figure 18). This shows that well-funded LEAs have been judged, on average, to be marginally better on most key judgements.

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\(^7\) See Local education authority support for schools in inner-London, OFSTED (2001).

\(^8\) For the purpose of this comparison, and that in the next paragraphs, the following judgements were analysed: strategic management, SEN, strategy for social inclusion, targeting of resources, and the quality of monitoring, intervention, support and challenge.
than those funded at the average or below-average level. However, the range of quality among the well-funded LEAs is considerable, and this group includes some that are unsatisfactory or worse. Furthermore, when London authorities are removed from the analysis the overall pattern disappears. Nevertheless, those well-funded authorities that possess good strategic leadership and management and are also able to draw on strong corporate support, are in a very strong position to have a beneficial effect on schools by allocating resources effectively, as several did. The corollary is that several equally well-funded LEAs did not turn that blessing to similar advantage.

**Effect of LEAs in support for raising pupils' standards**

67. Some of the judgements made by inspection teams incorporate evidence of the effect of an LEA’s work on pupils’ achievement, but the inspection criteria represent a professional view of what constitutes good practice. This section analyses in detail the inspection evidence in order to ascertain the strength of ‘the LEA effect’; that is, the benefits accruing to schools and pupils of the good practice noted by inspectors. It does not, however, attempt to balance the LEA effect against other factors affecting pupils’ achievement.

68. At the highest levels of generality, it appears that there is no direct relationship between the quality of an LEA and the standards reached by its pupils in core subjects at KS2, nor in their rate of improvement (see figure 19). Standards are closely related to levels of socio-economic advantage in each authority, and good LEAs working in disadvantaged circumstances have not yet overcome the effects on pupils of that disadvantage. Standards are higher in the advantaged authorities, even where an LEA gives poor support to its schools (see tables 3 and 4). Year-on-year improvement has taken place at about the same rate in each socio-economic band and at LEA level the gap between the advantaged and the disadvantaged had not closed significantly by 2000. There is, therefore, no proven relationship between school standards at KS2 and the quality of the LEA, nor is there a proven relationship with the quality of the LEA’s strategic management, nor with the management and expertise of its school improvement work (see figures 20 and 21). The quality of LEAs’ support for access does not yet appear to have reduced the range of standards (see figure 22).

69. This picture is, in broad terms, replicated in the evidence of GCSE results. Although there is more inconsistency than at KS2 between LEAs in similar socio-economic contexts, it is still clear that pupils’ results are related to the LEA’s level of disadvantage rather than to that LEA’s quality (see tables 3 and 4, and figure 23). There has been a year-on-year improvement in GCSE results nationally across all socio-economic bands. Standards have not generally risen faster in very good LEAs than in others (see figure 23c). The expertise of LEAs’ school improvement services and the quality of their management and deployment (see figure 24) have not yet led to discernible effects on schools’ GCSE results. Similarly, there is no simple relationship between the quality of an LEA’s strategic management and the school results (see figure 25). However, there may be some evidence of the effectiveness of social inclusion strategies: in the most disadvantaged LEAs, standards are slightly higher among authorities giving better support for access (see figure 26). Perhaps more significant, though, is the fact that pupils achieve very high results in at least one of the LEAs in the most socio-economically advantaged group despite the weaknesses of the LEA (see figures 23–26).

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Well-funded LEAs are defined as those whose Standard Spending Assessment for each pupil is significantly above the average and whose allocation of additional funding (such as Standards Fund) is well above average.
70. Many of the data analyses show considerable variation in the performance of schools, whether in the LEAs of similar quality or in LEAs of similar socio-economic circumstances, suggesting that explanations about performance must lie at a more detailed level. Analysis of data at a lower level of generality, focusing on those aspects of school performance that seem most amenable to LEA influence, does begin to show some relationship between LEAs’ work and the performance of schools. It should be noted, though, that inspection teams will have taken note of improvements in schools’ performance when considering a judgement about an LEA’s quality, therefore there is some overlap, but other factors will also have determined the resultant judgement.

71. At each key stage, more schools have been judged in their OFSTED inspections to make good provision for pupils with SEN in LEAs which have been judged to have good SEN strategies and to give good support to schools in SEN, than in those LEAs where this is weaker (see figure 27). Conversely, there is more weakness in secondary schools (though not in primary schools) in LEAs judged to be weak in SEN strategy and support. The variations are slight, though, and do not provide a convincing case for the LEA effect.

72. Schools in LEAs where literacy support has been judged to be good have slightly better literacy standards than in other LEAs (see figure 28). The same applies with numeracy (see figure 29). The rates of improvement in the better LEAs, though, are not significantly faster than in the poorer LEAs in literacy or numeracy. Furthermore, the relationship between quality of LEA and the pupils’ results is not simple: pupils achieve better results in some LEAs giving unsatisfactory support to literacy and numeracy than in some LEAs giving good support.

73. Attendance rates are higher in authorities whose support for attendance was judged to be good or satisfactory. However, there was a broadly similar rate of improvement from 1998 to 2000 between the better LEAs and the poorer LEAs (see figure 30).

74. Most convincing are the analyses of LEAs’ effects on the quality of school management and efficiency (see figure 31). More primary and secondary schools have been judged to have very good management and efficiency in those LEAs that give good support to school managers than in the LEAs that are weakest in that respect. Similarly, there are more schools, especially secondary schools, requiring improvement in the weaker LEAs. However, the amount of improvement in the schools has not been greater in the better LEAs than in the others.

75. There is some evidence of LEAs’ effect on school improvement when examining particular aspects of their and schools’ work. This backs up the tentative conclusions of our interim report in 2000. In short, LEAs probably have an effect on some aspects of schools’ and pupils’ performance, but the effect is not great, and it is clearer in absolute terms than in terms of incremental improvement. Moreover, the effect is so far apparent only where LEA support is directly linked to a particular aspect of a school, such as literacy support or attendance support. The LEA effect cannot be detected at a higher level of abstraction, perhaps because a number of other significant variables are at work, particularly socio-economic disadvantage. There is therefore, as yet, no clear evidence that the accumulation of the LEA’s influences has been so significant as to bring about a general effect on pupils’ overall standards.

10 When tested, the variations in the rates of improvement were not shown to be significant.
LEAs’ contributions to national strategies for raising standards of attainment

76. The vast majority of LEAs implemented the National Literacy Strategy successfully. Chief education officers (CEOs) and senior staff put literacy development at the forefront of LEA work, as expected in their EDP. Data were used well to identify each school’s needs, and support was focused appropriately. The LEAs’ consultants gave a wide range of expert help to schools that required intensive support, by conducting a literacy audit and planning for improvement, by demonstrating good practice and by leading staff meetings. Other schools receiving less intensive support also benefited from meetings with the consultants. In general, consultants showed strong professional skills and excellent interpersonal qualities. LEAs monitored the consultants’ work well. Some LEAs supplemented this work by providing advisory teachers, also giving useful support on aspects of the NLS. Some also organised the work of expert literacy teachers well. In the best examples, the English adviser led the consultants well, and a local resource centre reinforced their work. There was good liaison with the numeracy team and other support services.

77. As with literacy, most LEAs managed their support for the National Numeracy Strategy (NNS) effectively. They provided the right level of support for schools, after analysis of relevant data. The training provided for schools by LEAs’ numeracy consultants was well received, and the support for intensive schools was very useful. LEAs also supported non-intensive schools through a variety of appropriate means, such as newsletters and networks. LEAs managed their consultants increasingly well, learning from their early experiences of the NNS and from NLS. They generally monitored their work carefully, though in a few cases the strategy manager did not evaluate the impact of the strategy effectively. At best, LEAs identified schools’ needs well, and provided training to suit. The better LEAs ensured that schools receiving intensive support both for numeracy and literacy were not overloaded. Similarly, in the better LEAs the support for intensive schools had been designed not to induce dependence on the part of the school; but in others they had become too reliant on the LEA consultant.

78. The quality of literacy and numeracy support was much higher than for most LEA functions (see figures 8–13). Schools’ views of their LEA’s provision was generally similar to inspectors’, though more so in the case of literacy than numeracy. Seventeen LEAs provided unsatisfactory or poor support for literacy or numeracy, or in two cases both. About half of these were authorities whose strategic deployment of support to schools was unsatisfactory, and most were ones that were unsatisfactory or worse overall. The implication is therefore that the weaknesses in literacy and numeracy were often symptoms of a more general malaise in the LEA.

79. The support given by LEAs in the curriculum use of information and communication technology (ICT) was much less good than that in literacy or numeracy. It was unsatisfactory or worse in about half of LEAs, and good in only about one in ten (see figure 9). However, there was a significant improvement over the inspection cycle: the proportion of LEAs making unsatisfactory provision reduced considerably after 2000.

80. In the early part of the period, huge demands were made on LEAs by the government’s ICT programme, and the original system of allocating central funds led to inequalities between them. Their ICT staff were usually over-stretched and the support officers gave often failed
to match schools’ needs. Attention tended to focus on the provision and installation of equipment and infrastructure through the central National Grid for Learning programme, and insufficient support was given to schools’ development plans to improve teaching and learning. Too often, approval was given to schools’ plans even when they contained weaknesses. Resource provision was sometimes insufficiently tailored to school’s needs. INSET for teachers, often involving LEA staff, usually concentrated in developing basic ICT skills and LEAs found it more difficult to provide appropriate ICT support that built on teachers’ subject expertise.

81. In the later years, more LEAs developed good strategies for supporting schools. In the most effective LEAs, the support is based on a corporate strategy for ICT, often linked to the council’s policies for social inclusion and lifelong learning. It has often been strengthened by the use of funding additional to that necessary to match central government grants. In the early days, before this became a national requirement, the better LEAs set targets for pupils’ attainment in ICT and their development work put a major emphasis on improving standards, and not just on improving facilities. At best, LEAs have scrutinised schools’ ICT development plans carefully and engaged schools in fruitful discussion about how they will lead to improved achievements. After early difficulties, LEAs now generally administer the centrally funded NOF training effectively, often by working with external partners and discussing schools’ needs with them, though this is less common with secondary subject developments.

82. Only 14 LEAs were judged to provide good support for curriculum ICT, and in only two cases was it very good. Moreover, in only a minority of these LEAs was the support provided for administrative ICT (maintaining infrastructures and supporting management and administrative systems) equally good. The complexity of some corporate arrangements for securing administrative ICT or difficulties in linking different systems within an LEA contributed to the relative weaknesses of administrative support. Across all LEAs, administrative support was unsatisfactory less often than curriculum support (see figures 9 and 11).

83. Schools’ views of the quality of ICT curriculum support were strongly in line with the inspection judgements, though their views on administrative support were less consistent with those of the inspectors.

84. The large majority of LEAs provided satisfactory or better support for minority ethnic pupils, but it was good in only about one LEA in eight (see figure 13). During the inspection period the national system of funding and staffing responsibility changed markedly. Whereas before 1999 LEAs often provided their own service to schools, supported by government grant, after that they had to devolve most of the central Ethnic Minority Achievement Grant (EMAG) funds to schools, except where the amount was relatively small. LEAs therefore had to manage a significant change in role, and in some cases faced complex staffing issues when the old system was replaced. In the latter part of the inspection period, the LEA’s role was generally confined to policy development, training and monitoring, and school support, and support for distinct groups of pupils such as Travellers and asylum-seekers. In general, the transition from the old to the new system was handled efficiently, and LEAs usually managed their new, more strategic, role well. The criteria for the allocation of funds to schools was not always appropriate, but schools generally saw it as more transparent than the previous systems. The better LEAs administered their EMAG action plans well, and linked them effectively to their EDPs.
In 1999 only a small number of LEAs had clear strategies for improving the attainment of minority ethnic pupils, and few monitored the achievement of these pupils satisfactorily. By 2001 LEAs’ provision was improving. The requirement for LEAs to set targets for pupils’ attainment, and the introduction of EDPs, caused some authorities to re-invigorate their work for underachieving minority ethnic groups. Specialist work is now more closely related to school improvement work by LEAs, and this is reflected in closer links between EMAG teams and school effectiveness services. In general, LEAs improved their monitoring of pupils’ attainment significantly during the inspection cycle, and reoriented their attention from English language support to combating underachievement. In some LEAs the support for minority ethnic pupils was rooted beneficially in a strong corporate thrust on social inclusion. Good provision for minority ethnic pupils was generally mirrored by good partnership with other agencies and by good strategic deployment of school improvement work.

However, there was still too much variation of quality in 2001, and some LEAs had mishandled the allocation of funding, failed to devise workable strategies, or even monitor pupils’ needs effectively. This was often because schools were reluctant, before the introduction of the national system in 2002, to undertake efficient data collection and analysis. Many LEAs also faced problems in resourcing support for unexpected arrivals of refugee or asylum-seeking children.

The quality of the great majority of Traveller education services was very good and they provide good value for money. In the better LEAs senior officers’ influence had encouraged the development of partnership work with other agencies.

LEAs’ contributions to Excellence in Cities and Education Action Zones

Excellence in Cities

Excellence in Cities (EiC) is one of the government’s central initiatives for raising standards and transforming education in the major cities, and in specific areas which face similar challenges to those in the inner city. It has been phased into operation since 1999, and now involves some schools in about one third of LEAs. Its aims are to raise standards of attainment, improve the involvement of disaffected pupils in education, provide more effective support for schools and teachers, and raise public esteem for inner city education. It involves specific action to support vulnerable pupils, particularly through additional support from learning mentors and the establishment of learning support units. It also involves programmes to improve the performance of gifted and talented pupils, the use of ICT to enhance pupils’ learning opportunities, and the dissemination of good practice from beacon and specialist schools.

EiC is significantly different from many previous government initiatives in that it is school-driven. In each area, the initiative is controlled by a local partnership which makes decisions, subject to DfES approval, about strategy, resource allocation and methodology. The partnerships were originally composed of all the secondary schools and their LEA; increasingly, though, they now include some primary schools and post-16 providers. The key fact is that the LEA is a member of the partnership, albeit a significant member, rather than automatically being in a controlling position. This has caused many LEAs to have to enter a different kind of relationship with their secondary schools; it is a challenge to which they have generally responded well.
90. Within each EiC partnership, resources are delegated to schools as far as is possible. Decisions are taken collectively by the schools. The partnership is responsible for monitoring progress, usually in close liaison with the LEA. The LEA’s role is quite subtle: it is expected to support the partnership with advice and specialist expertise, and to broker relationships with other stakeholders. In most cases, the LEA line manages the co-ordinator of the EiC initiative. It is not expected to dominate the partnership, nor to attempt to force strategies on it. It should therefore be supplying the partnership with data and other information, and providing the expertise, when relevant, of its officers. For its own part, the LEA has to ensure that it takes good account of EiC when drawing up its own plans, such as the education development plan, the behaviour support plan and the ICT development plan. It should, above all, attempt to ensure that the work of the EiC partnership and its own service provision are complementary in, for instance, tackling the problems of attendance and behaviour support.

91. In any year, only around a quarter of the LEAs covered by OFSTED’s inspection programme have been involved in EiC. It was only in 2000/01 that substantial evidence of the actual implementation and early impact of EiC programmes began to emerge. LEA inspections then provided positive evidence of LEAs’ development of their role in relation to the local EiC partnership. Most have successfully acted as facilitator and co-ordinator of the initiative, and have maintained a strategic role without dominating the partnership. In many cases an LEA had given crucial support to a partnership in its early days by lending officer support or by facilitating the secondment of headteachers to get things moving, but has nevertheless left control where it belongs, with the partnership. In a few cases the LEA was insufficiently robust as a strategic partner at first, and local systems had to be amended later to, for instance, ensure that the partnership was sufficiently rigorous in some procedures.

92. The implementation of EiC appears to have been a significant factor in the generally improving pattern of relationships between LEAs and schools. Consultation and communication with secondary schools had improved as a result of the EiC partnership work, in all except one LEA. Headteachers were generally enthusiastic about, and positively motivated by, their involvement in strategic planning and the implementation of activities that they saw as tangibly meeting the needs of their schools and pupils.

93. Almost all LEAs involved were effective in managing the strategic complexities of combining EiC with other initiatives, and with the range of other regeneration and central government funding available. Increasingly, the EiC strategy had become central to, and often the key element of, the LEA’s overall strategy for school improvement. In about half of the EiC LEAs inspected it had been integrated effectively into the LEA’s EDP and its other core plans. In some cases the EiC plan has addressed weaknesses in an LEA’s existing EDP strategy, and the partnership and LEA together have successfully mapped areas of integration and strategic planning prior to the construction of the new EDP for 2002–2007.

94. In only one case had an LEA signally failed in the support it gave to the implementation of EiC. There, poor guidance and insufficient monitoring by the LEA gave schools too much latitude and programmes in most schools did not add up to convincing or coherent practical strategies to raise standards or promote social inclusion. Partnerships between schools had proved difficult to establish. Although there had been some improvements, schools continued
to lack confidence in the impact of EiC because they had insufficient faith in the LEA’s ability to manage its role in the initiative strategically.

95. LEAs have ensured that their existing programmes for social inclusion fit at least satisfactorily alongside the new EiC programmes of learning mentors and learning support units. In about a quarter of cases, changes to LEAs’ support for behaviour and attendance were being linked well to actual or proposed EiC developments. Some authorities had reorganised their delivery of attendance support or behaviour support so that it relates more effectively to the new EiC provision. For example, two authorities funded additional learning mentors to support pupils with SEN; another deployed its education welfare service effectively to support the EiC learning mentors.

96. In a few instances co-operation between EiC and the LEA has influenced the LEA’s decision to delegate more of its own services to schools. These developments, though, were at too early a stage for their effectiveness to be evaluated. By the end of the inspection cycle there was sufficient evidence to suggest that LEAs are effectively supporting the new EiC Action Zones and working with the zones to enhance mainstream work on national strategies such as literacy development.

97. However, while there was evidence, albeit much of it fragile, of the impact of EiC in encouraging disaffected pupils to continue to engage in education, its effect in raising standards of attainment across any LEA as a whole was still very limited. In a number of cases this was compounded by the slow development of sufficiently rigorous monitoring of the implementation of EiC, both by the partnerships and by the LEAs themselves.

**Education Action Zones**

98. Education Action Zones (EAZ) were established during 1998–2000 to raise standards and promote inclusion, by improving teaching and learning, extending school provision, enhancing support for young people and increasing parental participation and family learning. There are currently 73 statutory zones, mainly in disadvantaged areas. They receive funding from DfES and local business sources, and have priority access to other government programmes, such as early excellence centres. An EAZ is essentially a partnership of schools and business interests, run by an ‘action forum’ and managed by a director. It is independent of the local LEA, though in some cases there are very close links between the two organisations.

99. As with its relationship with an EiC partnership, the LEA’s task is to liaise with and support a zone with management information and expertise, adapt its own strategies to take account of the zone’s work, and learn from and apply elsewhere any successes achieved by the zone in school improvement.

100. LEA inspection has shown that relationships between LEAs and EAZs have steadily improved. The 1999/2000 inspections suggested that the relationships began somewhat uncertainly, with neither side sure of the ground rules. As the year progressed the relationships improved and collaboration between zones and LEAs became more effective. Relationships continued to be good during 2000/01 and, as the EAZ initiative entered its second round, the new zones and their host LEAs enjoyed good relationships from the start. This is further evidence of LEAs’ considerable success in adapting to new circumstances during a period of major
change. OFSTED’s first inspection of six zones showed that in the more effective zones there were clearly defined links with LEA strategy, and in two cases close strategic relationships with the LEA had helped to support zone development from the outset.12

101. Many zones made extensive use of LEA services, particularly those for literacy, numeracy and ICT. This joint working was most effective where the EDP explicitly incorporated the EAZ into its activity programmes. It was also supported where there were good managerial links, for example, where officers from the LEA sat on the zone’s executive board and/or where the zone’s staff was involved in the LEA’s planning. In the best example seen, this type of collaboration resulted in better multi-agency working by council departments in the zone’s schools than in the other schools in the LEA. Early inspections showed that links with LEA school improvement work were usually good and in the more effective zones there were usually clear links at activity level. For instance, zones’ expert literacy and numeracy teachers would train alongside LEA co-ordinators and liaise with them, thus dovetailing the two sets of activities.

102. Although LEAs have contributed to zones’ development, in the early stages, evaluations by the zones of what they themselves were achieving were weak. As a result, it was not easy for LEAs to take on innovations being piloted by the zones, and there was not much evidence that LEAs had learned lessons from the zones and applied successful innovation in other schools.

**Procurement of services**

103. At the beginning of the inspection cycle most management services for schools were provided by LEAs. However, the introduction of Fair Funding in 1999 required LEAs to delegate to schools the budget for many services.13 LEAs still have to provide strategic functions such as monitoring school budgets, undertaking certain personnel functions, and ensuring that school premises conform to national requirements. However, they are no longer obliged to provide services for those functions which schools themselves have the delegated authority to secure. These include facilities management, technical buildings advice, direct labour for building maintenance and management support in finance, personnel or ICT. It is now possible that schools will obtain all these services from elsewhere. By the end of the inspection cycle, therefore, the LEA’s role had changed and was increasingly concerned with helping schools to become intelligent purchasers of services that might still come from the LEA, but might now come from alternative providers.

104. The early inspections judged the quality of each service, usually provided by the LEA or by another agency on its behalf. The later inspections also examined LEAs’ arrangements to offer and tailor in-house services to schools’ individual wishes, and judged the quality of LEAs’ advice to schools about external providers and their arrangements to secure that provision for them. The varying quality of the functions inspected is shown in figure 11.

105. Finance support and human resource support were by far the strongest management functions provided or secured by the LEA, throughout the inspection period. These were generally provided from within the education department or by a dedicated team within other council departments. These were generally well-established services that met schools’

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13 Fair Funding is the system whereby LEAs are obliged to delegate certain functions to schools, and the funding needed to perform those functions. Central government stipulates what functions LEAs can retain and provide themselves.
needs, and were steadily improving in response to schools’ rising expectations. It was therefore unusual for schools to seek alternative providers when the funding was delegated to them. At best, these services worked closely with each other and with the advisory service, and thereby contributed significantly to LEA’s school improvement work.

106. Administrative ICT support was one of the weakest functions, judged unsatisfactory in almost one third of LEAs, though found satisfactory in the school survey. The problems noted by inspectors often derived from the unsuitability of a council’s corporate ICT strategy, or the lack of co-ordination between the various council departments concerned. Similarly, property services were unsatisfactory in about one third of authorities, but more often criticised in the survey. Even after the introduction of Fair Funding these services were sometimes slow to recognise that schools could take their custom elsewhere. The support given to the education department and to schools by property professional staff was too often poorly managed. The LEA’s buildings maintenance team, where such a function still existed, was sometimes insufficiently sensitive to schools’ needs.

107. Some LEAs had begun to see schools as customers before the introduction of Fair Funding and continued to refine the relationship. Generally, by the end of the inspection cycle these authorities, where they continued to make provision directly, offered a variety of purchasing options and ensured good customer feedback arrangements. This usually ensured that schools bought an LEA’s service. The prices of services related well to what was purchased, rather than being an amount set deliberately close to the amount of original funding delegated. Service level agreements in the better authorities gave clear specifications of client and contractor roles.

108. By contrast, those authorities whose culture had been to resist any loss of LEA jobs were generally not well placed to respond effectively to the requirement to delegate certain budgets to schools. Often it was done in haste, and in a grudging spirit, with schools offered little choice of service level. Sometimes it was little more than a paper transaction, with schools having insufficient information about the services offered to make an informed choice. Some LEAs gave schools inadequate notice of what was on offer and tied them into all-inclusive agreements with excessive notice for withdrawal.

109. During this period, there was a general improvement in the responsiveness and customer focus of in-house services across most LEAs and it was relatively unusual by the end of the inspection cycle to find an unreconstructed approach. In general, therefore, the quality of services to schools improved in the last part of the inspection cycle, and schools became more appreciative of them.

110. Some LEAs have chosen to use an external contractor to provide a particular service on their behalf. This has sometimes been done in response to a history of inadequacy in the service previously provided by the LEA. Recent inspections have shown that outsourcing is not in itself an inevitable success. There have been a number of examples, for instance, when the outsourcing of a single service has led to problems, most frequently payroll. This has not generally been a technical problem with the payroll itself, but, typically, a poor service specification unsuited to schools’ needs, poor client control or, most often, poor linkages between the outsourced function and the LEA-retained human resource functions.
111. Whether or not an LEA offered a service to schools on a traded basis, it still had a fundamental role in providing expert client support to the schools as purchasers. However, LEAs have made slow progress in developing high-quality client support for schools seeking advice about how to spend their delegated budgets. In some cases, LEAs gave schools information about the range of alternative providers, but few LEAs have moved far towards accrediting externally provided services. This is an aspect that continues to require development as even some large secondary schools have some anxiety about taking on responsibility for functions such as school meals that appear to offer little opportunity for educational improvement but carry the threat of an additional administrative burden.14

LEA and school funding

112. During the inspection period LEAs have been obliged by central government to delegate increasingly large proportions of their education budget to schools. Inspection evidence suggests that schools now have control of all, or nearly all, of the spending decisions they consider best taken by them. Consultation with schools about the amount of delegation has generally been good. They do not collectively have a strong appetite for further delegation to perform additional functions. However, schools, quite appropriately reserve their right to challenge value for money in the discharge of LEA central functions.

113. There was, however, great variation between the funding received by schools in different LEAs. This is mainly because the LEAs themselves received different amounts from central government, according to the government’s assessment of their needs, including the socio-economic challenges faced. This ranged in 2000/01 from £2,190 to £3,702 for each pupil aged 5–10, and from £2,800 to £5,139 for each pupil aged 11–15.15 This range remained constant throughout the period 1996/2001. The LEAs then made their own budget decisions, first about how much to spend on education, including providing for their schools system, and then on how much of that to delegate to schools themselves, including the devolved element of the Standards Fund. The range of delegation in 2001/02 was from 79.3% to 87%.16 Although the level of funding delegated by each LEA is published annually, the rationale for the relative spending on centrally controlled and delegated budgets has not always been fully transparent. From 2003 the government intends to require each LEA to publish for its local residents and parents an account of its expenditure on schools alongside the government’s assessment of spending need, and, where appropriate, to show good reason for not spending on schools budgets at this level.

114. LEAs did not always give adequate explanations to schools about why particular sums were retained for central functions. Most provided only very limited information, and publicly available benchmarking data for some of the key central functions of LEAs were too limited to be of real value. Although many LEAs now provide schools with some details of the range of services that are centrally funded, very few add detailed information on, and a clear justification for, the costs involved.

115. Another factor affecting the funds available to schools is the formula used by each LEA to determine how to share out its delegated budget. All authorities have amended the formula

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15 City of London and Isles of Scilly have been excluded because of their very small size.
16 This is calculated as the Individual Schools Budget as a proportion of the Local Schools Budget. City of London has been excluded because of its very small size.
they first designed in the late 1980s. However, the extent of change, the range and depth of review, and the extent of dialogue with schools have varied. At one extreme some LEAs made only piecemeal changes to arrangements that preceded local management of schools (LMS). Original LMS formulae sometimes perpetuated longstanding inequities and failed to ensure that funding kept pace with educational changes. At the other extreme, however, a significant number of LEAs have undertaken fundamental reappraisals of their formula, working in close collaboration with their schools, often with regular subsequent review. Appropriately, the approach has usually employed activity-led analysis. These exercises, although invariably time-consuming, have been able to inform LEA spending priorities and aided transparency to schools. They tended also, because they were built from the bottom up, to come up with uncomfortable initial conclusions in terms of the resources required. For the time being, the picture remains one of great variation in the rationale for funding of schools, even very similar schools, in different parts of the country.

116. During the inspection period, increasingly large proportions of schools’ budgets have derived from specific government grants such as the Standards Fund. LEAs generally consulted schools well about the take-up and distribution of Standards Fund, and the recent flexibility given to schools by the government in their use of that money is likely to promote school autonomy. However, as some of this could only be released to schools on provision by their LEA of matched funding, this had a direct effect on what funding the LEAs could make available for the remainder of their education budget.

117. Much other funding was potentially available to schools from other central grants (such as the Single Regeneration Budget) and this was normally co-ordinated by their LEA. However, schools and LEAs had difficulty in coming to terms with the multiplicity of funding streams. Even for LEAs, simply keeping track of these opportunities in terms of maintaining accurate and up-to-date information was difficult enough. Comparatively few LEAs had corporate information gathering and dissemination arrangements as well as a clearly defined focus for activity within the education service. Most LEAs provided incomplete information for schools, usually in relatively piecemeal fashion and often through individual officers circulating information on opportunities relevant to their specialist area. While advice on particular issues could be excellent, the arrangements in most LEAs fell well short of being comprehensive, proactive and sensitive to schools’ needs.

Provision of school places

118. One of the LEA’s major strategic duties is the planning of sufficient school places for young people of statutory school age. Since 1998 LEAs have had to set out their plans for future provision in a ‘school organisation plan’, which must be approved by a local ‘school organisation committee’. LEAs have an obligation to ensure that the provision of school places provides good value for money, and is consistent with the general aim of raising standards of achievement. Throughout the inspection period LEAs have had quite a good record on meeting these obligations, and have adapted well to the new legislative demands.

119. LEAs’ collection of data and analysis of it to predict future need has been sound. Many have reduced surplus places sensibly to save money, and where the situation has allowed, have closed weaker schools. The proportion of surplus primary places has reduced from 9.5% in 1996/97 to 9% in 2000/01. The proportion of surplus secondary places has reduced further: from 11.6% (1996/97) to 8.6% (2000/01). LEAs have also provided more places to met the
demands of new housing, but the amount of overcrowding in secondary schools has risen overall from 2.6% (1996/97) to 3.6% (2000/01). Planning has involved collaboration with local dioceses and other community representatives. In general, the provision of places was effected less well in urban areas than elsewhere, indicating the complexity of planning in densely populated areas. However, a few metropolitan and London authorities did make good provision despite this. In some cities, LEAs have failed to develop strategies for school place provision that promote good race relations, sometimes in the face of patterns of housing that are effectively segregated or within the complexities of a mix of community, foundation and denominational schools.

120. LEA provision of school places has been generally satisfactory throughout the inspection cycle (see figure 13). Where there has been weakness, this has usually been characterised by a lack of strategic thinking, in particular an inability to make plans that encompass the good use of funds, sensitivity to local needs, and the imperatives of school improvement. In many of these instances local politicians have had great difficulty in making decisions that are inevitably going to be unpopular with some of the people they represent. There has been some reluctance to tackle the issues associated with three-tier systems of schools, such as their contribution to the movement of pupils across LEA boundaries. LEAs have generally been slow to analyse the effects of the age of transfer on pupils’ performance. However, the anticipated costs of reorganisation have supported inertia.

121. LEAs have met other aspects of these responsibilities at least satisfactorily. They have implemented the government’s class size pledge by reducing infant class sizes to a maximum of 30, despite a demanding timescale. They have, in most cases, responded to a further new obligation by developing ‘asset management plans’ that relate appropriately to their plans for school places. Implementation of ‘asset management plans’ is at an early stage.

122. Alongside their provision of school places and their planning of building stock, LEAs have consistently managed admissions to schools reasonably well. In general, LEAs handled at least satisfactorily the complexities of admission arrangements that followed the abolition of grant-maintained status in 1998, and the need to accommodate parental choice.

123. The provision of education for children without a school place, particularly for those who have been excluded from school, is much less strong, though it has improved steadily over the inspection period. At the beginning of the period, some LEAs had very limited alternative provision. The range of types of provision has grown, including college link courses, small group work and provision from the youth services, and LEAs are now much better able to track individual pupils’ progress. Some authorities, though, had not met statutory safeguards about registering their alternative provision, and many had resourced this work insufficiently, resulting in these most vulnerable pupils receiving an inadequate education. However, most LEAs inspected in 2001 had satisfactory plans for meeting the national 2002 deadline for full-time provision of education to pupils excluded from school.
Modernisation of local government

124. The Local Government Act 2000 requires all councils to adopt new arrangements for decision-making from 2002. The aim is to replace a hierarchy of council committees with more streamlined and flexible arrangements, with strategic decisions being made by a small executive. Among the intended benefits of modernisation are speedier decisions, a clear distinction between strategy formation and scrutiny, and more effective delegation of authority to officers and executive members. The legislation is also intended to encourage greater public consultation and participation in decision-taking across a wide range of council responsibilities.

125. The legislation provides councils with three options: a directly elected mayor with a cabinet; a cabinet with a leader; and a directly elected mayor and council manager. In the first two cases the cabinet forms the executive body; in the third, the mayor gives a political lead to the council manager who then makes strategic policy and day-to-day decisions. Where there is an executive body, this is responsible for effective implementation of policy determined by the full council, and for delivering services in line with the council's budget and policy framework. The executive can make decisions as a group, or individual executive members may be responsible for delegated portfolios.

126. Whichever system is adopted, the legislation requires that decisions be scrutinised in public, and those who take them and implement them be called publicly to account for their performance. Non-executive councillors will scrutinise the decisions of the executive, and will review and develop policy through overview and scrutiny committees.

127. Most of the LEAs inspected since September 2000 had already piloted or begun to implement new arrangements in response to the legislation. These consisted both of new member structures and new scrutiny systems. All had chosen the cabinet and leader model (although in one case a referendum was to be held on moving to an elected mayor). In essence, these councils had generally given responsibility for education to one or more members of the executive, whereas an education committee had previously exercised this role. The portfolio-holder’s job is to take the lead on education, in the first instance, within the executive group, to initiate policy development, and to oversee policy implementation through discussion with senior officers, to whom day-to-day matters, and lower-level decision-making, have been delegated.

128. Arrangements for scrutiny, the other side of the coin, varied widely. Some councils established just a small number of scrutiny committees, with each assuming responsibility for a number of matters; for instance, one committee might be concerned with a range of major areas, as well as education. Others established a larger number of scrutiny committees, so that one of these was therefore able to focus entirely on education. Another variant was the establishment of select committees, for example, a select committee for education, which not
only scrutinised executive policies and decisions, but also initiated policy developments through study of aspects of the school system. Some LEAs have also established an advisory group, consisting of non-executive members and other stakeholders, to advise the portfolio-holder on policy development, or have included stakeholders on the scrutiny body.

129. In some cases the implementation of a modernised structure had only just begun and it was not possible for inspection teams to judge its impact. However, decision-making by elected members and officers was at least satisfactory in 85% of LEAs inspected in 2000/01 and was good or very good in about 16%. Where judgements about the modernised arrangements were possible, these were seen to have led to some efficient decision-making, more evident in those inspected recently than in those inspected soon after the reforms. In some LEAs, the portfolio-holder has benefited from advice from a select committee or advisory group. In those cases, a good number of elected members had developed appropriate knowledge of educational policy implementation, without having become bogged down in routine matters and committee procedures.

130. In general, senior officers enjoyed greater delegated powers under a modernised regime. This usually enabled them to move more rapidly on policy implementation than may have been possible within an old-style committee system. However, there was great variety in the extent to which the regular discussions that took place between senior officers and portfolio-holders were documented. It was therefore sometimes difficult for inspection teams to trace the history of policy development, and to be able to identify the respective roles of councillors and officers. In some LEAs schools and/or minority party councillors are uneasy about what they see as a closed circle at the top of the system. The new legislation provides for the documentation of discussions leading to key decisions; this will provide a clear audit trail and should lead to increased transparency and accountability.

131. In almost half of the modernised structures there were weaknesses in the arrangements for scrutiny by members. There are two underlying reasons for these weaknesses. Firstly, members in many councils were still unfamiliar with the role of a member in scrutiny and oversight, and the distinction between this role and that of policy formulation. The capacity of members and committees to monitor the delivery of broad themes was not always sufficiently developed, and further training was sometimes needed, particularly to equip members to grapple with issues that cut across departmental boundaries or to challenge the executive when necessary. Secondly, the new scrutiny committees were sometimes not provided with the information that they needed to assess properly the performance of schools and LEA functions. Deficiencies in management information and the systems that generate them feature frequently in judgements on the extent to which LEAs are prepared for the responsibilities of best value.

132. In some cases the introduction of the new arrangements, with the demise of LEAs’ education committees, reduced the involvement of a range of stakeholders in decision-making and the oversight of education functions. Concerns of schools and other stakeholders about their reduced involvement under modernised structures were highlighted in six early inspections. However, most LEAs were aware of this danger and were strengthening existing consultation structures to compensate for the perceived loss of involvement by schools and other stakeholders.

133. Inspection has shown that it takes a council more than a year to get a modernised system up and running efficiently. In general, success in implementing new arrangements has been
mixed. Many councils soon identified imperfections in their new structure and made early changes to meet the objectives of the legislation and their own aims. At best, the new systems have led to an appropriate separation of functions, clear and efficient decision-making, high-quality review by elected members of the LEA’s provision, and the involvement of a range of stakeholders at an appropriate level. At worst, the new systems have led to a certain amount of confusion, contributing to, or perpetuating, inadequate monitoring of the LEA’s performance in education.

**Partnership with other bodies**

134. Many local councils have a long history of strong commitment to partnership work with other agencies, and many education departments have a tradition of co-operative work with other council departments. At the beginning of the inspection cycle inspectors frequently noted that LEAs had developed good relationships with ‘training and enterprise councils’ (TECs) in developing 14–19 curriculum opportunities, with careers providers, and with health authorities and health trusts in promoting health education. Many LEAs have been concerned to extend this work, and this has been reinforced by government policy initiatives on social inclusion, regeneration, and combating crime and disorder. It now occupies increasing proportions of senior education officers’ time.

135. Inspectors judged that partnership was one of the most successful aspects of LEAs’ work; it was good or very good in about one third of authorities and rarely unsatisfactory. Given this judgement, it is salutary to note that schools had a different perspective. The school surveys, normally completed by headteachers, are broadly more critical of the education department’s liaison with social services, the police and the health services than is implied in inspectors’ judgements. In some cases partnership had been achieved at a strategic level to the satisfaction of inspectors, but schools had not yet benefited from improved activity on the ground or had over-optimistic expectations of the pace of change. Also, in some cases schools were unrealistic about other demands being made on partners, for instance, the demands of statutory work on social services.

136. Inspectors judged that LEA’s partnership work had not only become more challenging from 1996 to 2001, but that LEAs were becoming better at it. Over half of the last 25 authorities inspected were good or very good at partnership working, and only one was unsatisfactory. Although the last 25 LEAs did not include major city authorities some did have significant areas of disadvantage and the task for these authorities in linking with a range of partners was therefore potentially as complex as that in the large cities.

137. The most recent inspections showed that education departments were generally adept at linking with bodies such as the Early Years Development and Childcare Partnership, the Sure Start Partnership, the Children and Adolescent Mental Health Service, the Youth Offenders Partnership and others. Crucial to this was public commitment by the chief education officer, representing a corporate strategy on partnership work, and determined involvement by second- and third-tier officers who could ensure that LEA services adapted to new demands. Some striking examples were seen of collaborative developments, particularly with police services, health bodies and social services, in establishing local community activity focused on schools.
Best value and continuous improvement

138. Part way through the first cycle of LEA inspections, new legislation placed a duty on local authorities to make arrangements to secure continuous improvement in the way in which they exercise their functions. The Local Government Act 1999 requires LEAs to establish systems for improvement, in economy, efficiency and effectiveness. All local councils must now have a ‘best value performance plan’ (BVPP), incorporating their education plans, showing how they will review their work regularly against key performance indicators, giving particular attention to high-risk functions (for instance, those that have implications for people’s safety or those that are thought to be weak). Councils are expected to have performance management arrangements in place across all their services to ensure high-quality delivery of the council’s priorities. The key feature of this new requirement is that the council must challenge fundamentally everything it does, ensure that the nature of its provision can be justified, and that everything that can be done to improve it is being done.

139. LEA inspection has always given attention to authorities’ self-evaluation and efforts to improve, but this has become a more systematic aspect of inspection since the 1999 Act came into force. Overall, judgements have been made on 125 authorities’ approach to continuous improvement (see figure 8). In only one in eight cases was it judged to be good. In almost three times as many authorities it was judged to be unsatisfactory or worse.

140. Since September 2000 the judgements made have focused on the authorities’ response to the 1999 Act, in particular on corporate arrangements for best value and performance management. This implied the use of more stringent measures of what was required. During this period, even fewer LEAs were found to be good than previously, only five out of about 60, and about the same proportion as previously (almost a third) were unsatisfactory. Clearly the 1999 legislation had created a new challenge to which many LEAs had difficulty in responding. Nevertheless, there were indications in the most recent inspections (autumn 2001) that LEAs were meeting the challenge better than authorities had done in the first full year of best value.

141. All LEAs inspected since September 2000 had had their BVPP approved by their external auditor, although there were weaknesses in around one fifth. Good plans were underpinned by detailed corporate guidance, and made clear links between corporate plans and educational plans. Limitations in some plans included a lack of relevant performance indicators, and weaknesses in the corporate structures that should have been used to implement the educational aspects.

142. In about two thirds of these LEAs, performance management was sound or better. Almost all had begun to develop arrangements, but in only about half was it fully in place, although this tended to be better within school improvement services than elsewhere. At best, plans were linked at all levels and had clear targets and a range of appropriate performance indicators. Service targets were closely aligned to statutory plans and officers had clear and well-defined objectives related to those of the service. Monitoring arrangements regularly checked progress, and all staff had professional development plans that were reviewed and adjusted systematically. Where performance management was weak this was reflected in inconsistency in practice across or even within services, and targets were not set for officers or were unrelated to the council’s plans. In a number of authorities planning was inadequate and plans insufficiently co-ordinated.
143. OFSTED and the Audit Commission have inspected 95 individual school service-related best value reviews since September 2000. Some were inspected within an organisational inspection of an LEA, but most were inspected separately. Over this short period two significant trends were apparent, both representing improvements in LEA strategy. At first, LEAs often conducted separate reviews of small service areas, such as financial services to schools. This restricted the scope of an LEA to generate fundamental proposals for far-reaching change because the basis was so narrow. Later, partly in response to national advice, they tended more appropriately to review groups of connected services, or a theme, such as services to vulnerable pupils or pupils with SEN.

144. A second beneficial trend concerned the composition of the review team. There was originally a tendency for a review to be conducted by the staff of the service being reviewed. These reviews, perhaps not surprisingly, sometimes failed to make proposals for significant change to the status quo. Later, councils employed more external challenge by using other staff to lead reviews.

145. The principles of best value require authorities to use ‘the four Cs’ when undertaking a review: consultation, comparison, competition and challenge. However, simply using these did not guarantee a rigorous and fundamental scrutiny of an LEA’s functions, and some strands proved more difficult to tackle than others. Consultation was a relatively strong feature. Most review teams sought to consult users and stakeholders in the course of their best value reviews. The best reviews consulted iteratively, using consultation as a means of fundamentally challenging services, to assist in determining the competitiveness of options and of ensuring that recommendations and improvement plans addressed weaknesses and met user priorities. However, the weakest took too little account of users’ views about service quality or about options for change.

146. The use of comparative information, while often difficult to obtain, was stronger in the later than in the early best value reviews. Education is, in general, a function of local government that is rich in data and many officers are conversant with the use of performance data. For the most part, good attempts were made in the reviews to identify and present reliable comparators. Most councils found that simply writing to others to ask for information on costs, or service levels, is unhelpful. Few LEAs structure services in identical ways, and the volume of requests that can be received, particularly if a council has been identified as high performing, is such that few have the resources to respond. The weakest reviews were those that failed to provide comparative information or use the information intelligently. A number of authorities have joined benchmarking clubs and make good use of information concerning, say, the comparative cost and impact of school improvement services.

147. The application of tests of competitiveness was a weakness in most reviews and the basic tools and skills needed to examine the competitiveness of services or service options were not visible in most reviews. There was often a lack of capacity, or will, to evaluate options for service delivery in competition with what was available from alternative providers or through different modes of delivery. Much of the activity undertaken in a best value review should, in fact, be concerned with this. Perhaps reflecting a lack of exposure to the marketplace, the reviews rarely made convincing analyses of the purchaser/provider context in which the service operated, nor were considerations of quality or performance analysed well against cost. However, in the best examples, councils did give serious consideration to the options available across a continuum of public/private arrangements.
Many of the reviews, therefore, lacked fundamental challenge. Too frequently they were used as vehicles to justify the status quo and often used a statutory duty to secure a service as a justification for providing the service. Few reviews gave elected members the opportunity to debate whether a service needs to be provided. External challenge to the process was often provided by including in the review team officers from other council departments, or elected members who have no responsibility for education. As both groups still have an interest in providing local authority services, this too rarely enables the review to start at a position of fundamental challenge, unless this is a culture that is actively promoted across the council. A different element of challenge, however, was evident in some reviews, where elected members usefully challenged a service’s contribution to the LEA’s corporate aims.

The energy and resources invested in best value reviews were not matched as frequently as they should have been by significantly better outcomes for schools, parents and students. Action plans deriving from the reviews have often been limited in scope and ambition. Inspectors judged that the prospects for improvement in a service or function were in most cases promising or excellent. However, this was due less to the process of best value review that had been undertaken, than to other factors, such as the impact of inspection findings, changes in local strategic management or changed requirements by government. One of the common weaknesses of the best value process has been that an improvement needed was dependent on management decisions beyond the scope of the review, such as the preparedness of the council to undertake fundamental analysis and divert resources if necessary. In the better cases, the reviewing process has been embedded in the management practice of the authority and operational plans are amended in the light of the review. However, so far this has been apparent in too few authorities.

LEAs are also expected to assist schools in achieving best value, that is, the value they provide for their pupils. The LEA should provide good-quality benchmarked data against which the school can assess its own performance. This should enable the school, for instance, to scrutinise its budget and the outcomes of its use of expenditure to judge what it is providing to pupils, compared with similar schools, and to secure continuous improvement in terms of economy, efficiency and effectiveness. Although three quarters of LEAs provided satisfactory or good data to schools, they still had a long way to go in guiding schools about achieving the best value from their resources. Inspection evidence shows that schools’ understanding of the principles of best value was in general poorly developed. Schools’ governing bodies are required to write an annual statement about how they seek to apply the principles of best value. At best, LEAs gave them good training in this, but such good practice was rare, even among the most recently inspected authorities.

**Improvement of unsatisfactory LEAs**

**Characteristics of unsatisfactory LEAs**

A total of 41 education authorities (27%) were judged unsatisfactory or worse overall in their first inspection. Of these, 18 (12%) were judged unsatisfactory; 11 (7%) were poor and 12 (8%) very poor. The proportion of LEAs found unsatisfactory was significantly less in the
later years of the cycle than the very high percentage identified in 1997–2000. Nevertheless, it is surprising that LEAs with significant problems were still being identified in 2001, given the range of early warning signs that had been developed by then, and the increased attention given by some LEAs to self-evaluation.

152. LEAs that were unsatisfactory or poor had a consistent pattern of serious weakness in strategic planning across many areas of work. This included weak decision-making and leadership, both political and professional. Crucial aspects of work that were significantly poorer in these LEAs included strategic planning for SEN, promoting school improvement in SEN, and strategies for promoting social inclusion. Very poor LEAs were also deficient in managing services to support school improvement, and in monitoring, challenging, supporting and intervening in schools.

153. Judgements on the quality of EDPs, however, were not always significantly worse in unsatisfactory LEAs. If taken at face value this might suggest that even unsatisfactory LEAs can plan a strategy for school improvement, and that there is therefore a basis for optimism. However, it may more likely be that the tight national guidelines on constructing an EDP, together with central advice given to LEAs during the process, is helping to achieve a greater level of national consistency. Similarly, judgements about support for both literacy and numeracy, while poorer in unsatisfactory LEAs than for better LEAs, were less markedly poorer than most other judgements. This again can probably be attributed to the clear national prescription given for the nature of the support and for its deployment. In this sense, then, the tight national regime could be said to be guaranteeing minimum standards of support. However, more complex functions such as behaviour support and provision for pupils without a school place, both aspects that require careful negotiation with schools and mastery of a complex range of data and support services, were characteristically weak in unsatisfactory LEAs.

154. Most commonly, these LEAs suffered from inertia. They all faced significant strategic issues such as budgetary problems, excessive surplus places, a very high percentage of failing schools, or perniciously low expectations in the community at large. Most authorities have had to solve such issues at one time or another, but in these LEAs a lack of vision and drive had allowed the problems to drift without solution until they had become entrenched and very difficult to solve. The climate had often become one of helplessness where the situation seemed incapable of resolution.

155. A fundamental feature of LEAs that were unsatisfactory or worse was inadequate support received from the LEA’s corporate centre. In some cases, there was ineffective cross-council planning, use of management information, performance management, and/or monitoring and review. Corporate plans were, therefore, no more than aspiration and education services lacked the support that could help council departments to meet a common set of priorities effectively. In one or two authorities the corporate centre made unrealistic demands on hard-pressed education managers with little visible benefit for education. In a few others the inefficiency and poor management of the corporate system had a profound impact on the ability of education services to manage change, despite the effective leadership provided by education officers. In other cases, LEA procedures meant that headteachers and governors were not sufficiently involved in corporate processes such as setting priorities and budgets. The weakness at the corporate centre could hamstring an education department’s attempts at self-improvement.
156. Leadership was lacking at all levels in the poorer LEAs. Elected members were often floundering, trying to play their role in a way that led to either too much involvement or too little. It was very rare for there to be ineffective political leadership where there was a strong officer group either at the corporate centre or within the education department. In that sense, strong officer leadership could help political leadership to be effective. However, in general, the senior officers in most poor or very poor LEAs lacked strategic ability. In some LEAs this had been exacerbated by long-standing vacancies which had been filled too slowly and which had created an unnecessary hiatus. In a very few cases, good senior officers had recently been appointed who were battling to rectify inadequacies of the past or, in some instances, struggling to make the corporate centre clearer about the need for it to support education.

157. LEAs that were unsatisfactory or worse were generally characterised by an unproductive partnership with schools. Schools were at best sceptical that the LEA had the capacity to make a difference and, at worst, they did not trust the authority. This sometimes led to open hostility. Even in authorities where the situation was not as bad as that, the LEA had not developed its role in line with the Code of Practice for LEA-School Relations. Consultation and communication were rarely effective. These LEAs too often sought to control schools rather than to enter into a partnership with them, were often slow to delegate funding and did not put into place a framework to market LEA services effectively within a culture of choice and competition.

Improvement of unsatisfactory LEAs

158. Eighteen of the 41 unsatisfactory or worse LEAs have been reinspected at least once in order to judge whether there had been an acceptable degree of improvement. The others will be inspected early in the new inspection cycle. Most reinspections took place at least four terms after the first inspection and in three cases as much as two years after the first inspection.

159. Eleven of the 18 LEAs had become at least satisfactory by the time of their reinspection. The reinspections showed that the extent and intensity of the difficulties identified in the first inspection did not determine the progress that an LEA was able to make. Some of the worst LEAs improved very rapidly; others did not. Some that were only unsatisfactory remained so, and two LEAs got worse.

160. The changes in inspection grades are shown in figure 15. Several LEAs made great improvements in strategic management, support for school improvement, and school improvement strategy. Management services and access generally improved less.

161. All the LEAs that had improved to at least a satisfactory level had undergone a fundamental change in their work, and especially in their planning framework, relationships, decision-making and leadership. All but one of the LEAs where progress had not been marked or which had deteriorated continued to have weaknesses in some of the following: strategic planning, decision-making, leadership, or in their partnership with schools.

162. Changes in senior leadership were of paramount importance in determining the extent of improvement. Most of the reinspected LEAs had experienced changes in top management that had led to progress, sometimes considerable. In one LEA with new managers significant
progress had been made, but the extent to which improvement could be sustained had been put into question by the unpredicted resignations of the senior management team. In another, new managers had taken action, but progress was still insufficient and fragile. Five LEAs maintained the same management team that had been in post for some significant time before the first inspection. Some progress had been made in three of these, but significant difficulties persisted, either in the partnership with schools or in strategic planning and management. There had been deterioration in the two remaining LEAs that also retained the previous managers.

163. Improvement and progress were greatest in those LEAs where political leaders, senior managers and middle managers all shared a determination to improve the organisation radically, and where the developments were consistent and inter-related. In two LEAs, however, attempts by the education department to improve its performance were weakened by ill-informed decisions made either by members or by the corporate centre.

164. Despite the improvements in strategic management and planning, themselves sometimes dramatic, certain obdurate issues remained in each authority, and tangible progress in the outcomes experienced by schools and pupils had therefore been limited. These were frequently the most complex issues, such as managing admissions where certain schools were unpopular; improving the condition of neglected school buildings; managing increasing SEN demand while resources were limited; and developing a cadre of school improvement advisers/officers who could identify difficulties in schools and challenge them at a sufficiently early stage. Success in these issues did not come overnight, even where the LEA had improved fundamentally and rapidly.

165. Even where relationships had become more trusting, schools were generally cautious, especially when they had previously had years of bad experiences. They were still experiencing some unsatisfactory services and headteachers were often cynical because of previous new starts that had led to little sustained improvement. In these early stages of recovery, the LEA staff needed to provide reassurance to schools of the prospect of some continuity and commitment.
Government intervention in unsatisfactory LEAs

166. As a result of inspection findings, the DfES had negotiated intervention in a number of LEAs to assist their improvement. Six of those LEAs have since been reinspected and they provide case studies of different ways of invigorating failing public services. In each case the new arrangements were still at a very early stage at the time of reinspection and therefore the evidence suggests some tentative, interim findings rather than confident conclusions about the relative merits of the new arrangements. It has not been possible to judge the long-term sustainability and impact of the new arrangements.

167. In most cases, the messages of OFSTED inspection reports were underlined by further reports by consultants provided by the DfES, and in some cases the DfES gave support, including financial support, to LEAs to help improve their provision. The scope of the intervention varied between the six LEAs. The arrangements also differed in the balance between the use of the private sector to directly provide and manage services, and the use of other mechanisms to improve the capacity of the LEA to manage its own services. In every case there was a mixture of the two although there was growing recognition of the importance of the latter as a paramount objective in new arrangements.

168. All six LEAs had improved. In four, inspectors judged that the improvements that had been made were sustainable. In another improvements had been made which demonstrated a further capacity to improve provided the management arrangements remained stable. In the remaining LEA, improvements had been made, but were put in jeopardy because of the instability created by funding crises in the corporate centre and the resignation of senior staff in the education department.

169. Intervention in every LEA had led to greater expertise being made available, often in circumstances where the LEA over a number of years had failed to attract staff of the necessary calibre. Expectations of what should be achieved and how had improved, and there had been an increase in determination and sense of urgency.

170. The process of intervention was too lengthy in certain cases. Changes had to be made rapidly to prevent further deterioration in the quality of support to schools following the publication of a critical LEA report. In four of the six LEAs, action was taken as a result of DfES intervention relatively quickly after the publication of the critical inspection report, and competent management arrangements were secured either immediately or within a few weeks. However, in the other LEAs, obtaining the support of a partner from the private sector took a year to 18 months. This was too long to prevent deterioration because of the negative effects of inertia combined with turbulence caused by changes in staffing. Nevertheless, although these were still early days, there were grounds for optimism in both authorities that this would in the end lead to real gains.

171. The work involved in preparing a specification, tendering and contracting had sometimes been underestimated by the DfES. The efforts of the staff who remained in the education department had to be diverted to support and manage the process of contracting out services, rather than giving much needed leadership to the improvement of provision to schools.

172. Improvement proved most swift where elected members, the chief executive and the education department shared the recognition that radical change was required. In three LEAs
elected members made a renewed commitment to education, clarifying it as a corporate priority and investing in it financially. This undoubtedly assisted the process of developing a new and more profitable relationship with schools.

173. The political interface between management boards, strategic partners and outsourced services was sometimes delicate, and some concerns were raised that the new arrangements operated to the detriment of local democracy. Consequently, certain issues will need constant monitoring. Elected members must continue to make strategic decisions and therefore require dialogue and advice. They need information to answer the questions of ward residents. They may be involved in monitoring the contractual arrangements and the effective discharge of the LEA’s statutory responsibilities by a partner or contractor.

174. In two authorities, elected members received advice from an education management or partnership board; in a third authority, monitoring was strengthened by an external board and in another authority the chief executive had set up a ‘change team’ of officers to promote and monitor improvement across the council. The management or partnership boards provide an additional layer of expertise that can add wisdom, provide the impetus for change and sometimes act as a much needed safety check for education officers and elected members against the dangers of whimsical decision-making. Such boards valuably enhanced these two LEAs’ capacity to improve, but this has to be set against the potential disadvantage of officers inevitably finding themselves servicing two bodies, the council and the education management board. The relationship between new bodies such as education partnership boards and scrutiny committees, for instance, is not yet well developed.

175. The government’s intervention has focused predominantly on improving services to schools and has not always focused enough on developing the capacity of an LEA to lead and manage its responsibilities for education more effectively. Lessons must be learned from one authority where hard-won improvements made by a capable management team in education were put at risk because insufficient action had been taken to improve the leadership and management of the council and the corporate centre. A new relationship between elected members, the corporate centre and the education department takes time to construct, and this is additionally difficult where political structures are changing anyway because of council modernisation (see above).

176. In two authorities the outsourcing of a service or services required officers to devise shared monitoring arrangements and to develop the interface between services which are still managed by the LEA and those of the contractor. This was made very difficult when the scope of the intervention was restricted to the school improvement service because so much of the work of that service relied on the effectiveness of other services that have not been outsourced.

177. The contracts made with private sector organisations varied in length. All of the LEAs were inspected two years or sooner after the original critical inspection, and none had by then made all the necessary improvements. In most cases, inspectors felt that a start had been made, but improvement was still vulnerable.
The 2001 report Local Education Authority Support for School Improvement made seven recommendations for action. Progress on these recommendations has been as follows.

The first recommendation was that LEAs’ approach to best value should be appropriately objective. They should consider whether, in their particular circumstances, they are best placed to provide, as distinct from secure, services in support of schools. Improvement in this respect has not been significant. Outcomes following best value reviews have been disappointing and limited. The authorities inspected most recently have moved towards greater objectivity, introducing more external challenge by having a person other than the leader of a service leading the review, but this has not necessarily led to fundamental challenge to the basis on which the function is provided.

The second recommendation was that the increasing differentiation found in the approach of LEAs to school improvement should be maintained and extended. This report shows that this recommendation has been followed and the evidence suggests that this has been beneficial. LEAs inspected more recently tended to have considerably greater differentiation in their work than those inspected earlier, and this generally led to improved impact on schools.

The third recommendation was that the management structure of LEAs should reflect the central importance of school improvement. There is insufficient evidence to permit comment on all aspects of this recommendation, but it was clear from the later inspections that chief executives now generally worked closely with or monitored the work of directors of education. To that extent, the spirit of the recommendation was being met. Furthermore, the general trend is towards smaller groups of more expert officers managing school improvement.

The fourth recommendation was that there should be a national framework of competencies and of training for LEA officers, advisers and inspectors engaged in school improvement. Exploratory work involving LEA representatives and central government has now been undertaken on this.

The fifth recommendation was that OFSTED should be asked to evaluate the feasibility of the EDP at the time of statutory approval, and its view communicated to the LEA. This has now been implemented.

The sixth recommendation was that consideration be given to developing the national ICT strategy, to greatly increase the focus on raising standards, both in ICT itself and across the curriculum through ICT use. Clear national targets have now been set for improving attainment at the end of Key Stage 3 by 2004. Support for this will be available from September 2002, through the ICT strand of the Key Stage 3 Strategy for which the majority of LEAs have employed consultants. Slow progress has been made in the use of
ICT across the curriculum. NOF training for teachers has had a limited effect on the use of ICT in teaching and learning. A range of other government-funded initiatives aims to improve the ICT context in which teachers are operating: for instance, the extension of the laptops for teachers scheme, and funding for ‘Curriculum on-line’. Progress in the application of ICT within the NLS and NNS has been slow.

185. **The seventh recommendation was that ways of providing sufficient and effective governors to all schools should be explored at national level.** The DfES has launched a recruitment strategy, which focuses particularly on urban areas and minority ethnic communities.

186. **The eighth recommendation was that in relation to a number of issues associated with access and SEN (the social inclusion issues), thought should be given to action on a regional basis.** In 1999, 11 regional SEN partnerships had been established, bringing together LEAs, local health and social services, and the voluntary and private sectors. Research recently undertaken for the DfES gives positive early indications that these partnerships are making a difference, for instance, in developing regional inclusion strategies.

187. **The final recommendation was that urgent national attention should be given to introducing a common database for transferring pupil-related information between LEAs, between phases of education and between different departments of local authorities.** Since the introduction this year of the Pupil Level Annual School Census, such a database now exists.
Further attention needs to be given to building management capacity in LEAs. The LEA Improvement Forum, recently convened by the DfES, is an appropriate vehicle, with some broadening of its membership, to draw together the most helpful contributors. Discussion should focus on:

- Links between LEA, particularly the pairing of more effective practitioners with those who need to improve
- Developing LEAs’ capacity for self-evaluation
- Completing the work already begun on a competency framework for school improvement officers
- Commissioning research on areas of work which are widely found to be problematical to remove barriers to further improvement
- Advising on how improvement may be achieved through building on best practice.

If the proposed division between LEA and school funding is to lead to improved performance by LEAs, the funding allocated must be adequate for the job they are asked to do. That entails a careful analysis of the activities involved, and their costs at school and local authority level.

Government needs to consider further the various tensions currently implicit between the various strands of SEN policy and review the position in the light of the difficulties many LEAs continue to experience in arriving at an adequate strategy for the inclusion of pupils with SEN.

LEAs should follow the guidance issued recently by the Commission for Racial Equality to carry out more adequately their duty under the Race Relations (Amendment) Act to promote good race relations. Included within this, they should act on the implications for education of the recommendation that an analysis of the nature of the separation within communities be undertaken at a local level. Through the vehicle of the admissions forum, LEAs should provide challenge to schools and other admissions bodies to consider ways in which their intake may be representative of the ethnicity and cultures present in their locality.

LEAs should consider more closely, and reflect in their management arrangements, the links between their polices on social inclusion and raising educational attainment. Regional arrangements may need to be considered, building on the examples that already exist, for providing support for some vulnerable groups of children.

Councils, in discussion with government, should carefully consider the unintended consequences of some modernisation processes, in particular, the perceived reduction of opportunities for public discussion of educational matters. This may best be accomplished by disseminating, through the national organisations of local government, the most effective arrangements for scrutiny and advice.
To strengthen schools’ capacity as customers, LEAs should devote more commitment and energy to developing governors’ and school leaders’ ability to procure good service support. They should institute measures to ensure that schools have good client support during the procurement process, and throughout contracts.

To understand better why some LEAs are able to raise standards faster than others, OFSTED should undertake a detailed study of the work of effective LEAs, supported by a programme of research.