



FIONA MILLAR

PROFIT AND LOSS

WHATEVER HAPPENS AFTER THE NEXT ELECTION, NO ONE SHOULD BE ENCOURAGED TO MAKE MONEY OUT OF RUNNING STATE SCHOOLS, INSISTS FIONA MILLAR...

Maybe it is because of my background as a journalist who has also worked in government, but I can't stop myself thinking in terms of electoral cycles. The date of the next general election is always lurking somewhere in the back of my mind. It has been a moveable feast in the past – there have only been three full parliamentary terms since 1945. But the coalition's legislation for fixed terms means that we know for sure that we now have a year's electioneering ahead of us as the political parties jostle for position, rebutting and rubbishing each other's ideas, even though many of their policies are not that dissimilar.

In education, some dividing lines are opening up. Labour is very slowly outlying the shape of its offer: a reformed 'middle tier' to clarify what stands between the government and schools; more local collaboration; a focus on teacher quality and qualifications; possibly even a new baccalaureate qualification. Meanwhile even the most inflexible Goveian supporters admit that the task now for the Conservative Party is continued implementation of their far reaching 2010 reforms; in other words more diversity and choice (academies and free schools) and ensuring that the whirlwind of changes to curriculum and qualifications are embedded successfully. The Liberal Democrats have yet to show their hands, not surprisingly. The requirements of coalition government make it hard for the junior partners to divorce themselves from policies for which they voted in government without seeming either hypocritical or disloyal.

But one issue that continually hovers just below the radar is that of profit making schools. Michael Gove is unlikely to be the Education Secretary again after the election, but he is not the only influential figure in the Tory party to articulate support for the idea that the ability to make a profit will entice new, more effective, dynamic providers into the schools market. Diehard marketeers rightly point out that most schools already procure a lot of private sector contracts, for building work, IT, HR and school improvement services, so why not go the whole hog and run schools directly for profit? Less frequently articulated is the argument that if school providers can make money they will be more inclined to invest capital in buildings and new schools, thereby reducing the burden on the state and fuelling a 'small state', low tax economy.

It is true that privately provided services are taken for granted in today's schools. Several educational establishments have even outsourced their entire management to for profit providers



FIONA MILLAR IS A COLUMNIST FOR GUARDIAN EDUCATION AND A CO-FOUNDER OF THE LOCAL SCHOOLS NETWORK. (LOCALSCHOOLSNETWORK.ORG.UK).

(with mixed results), but even within the academy and free school movement the governing bodies and trusts that oversee those contracts are still not for profit. I believe that this fundamentally different ethos – in short, motivation by means of public service rather than financial gain – is the approach that must continue.

Just because firms can make money, it doesn't mean they will provide an outstanding, or even good, product – as anybody who can remember the sorry saga of the 'turkey twizzlers' offered by one private school catering company will recall. The two countries where this experiment has been tried extensively – Sweden and America – are not faring well, particularly in the international league tables by which our Secretary of State sets such store. In the US a significant proportion of for profit schools have failed to reach national standards, been closed down or transferred to other providers. The profiteers claim this is a triumph as it proves the market is working effectively. But can it be right for children, especially those from challenging home backgrounds, to be enrolled in institutions that are subject to serial takeovers and reorganisation, with all the upheaval that entails?

And perhaps the greatest fear of all is the unintended consequence of inevitably linking financial rewards to performance and results. There are enough perverse incentives – to manipulate intakes and curriculum – with our current system of school accountability. The risks of unethical or fraudulent behaviour could escalate considerably with a profit motive. But more importantly, there would be even more reason to admit the children most likely to succeed and reject those whose needs make them more costly to educate or less likely to deliver good grades.

The global education market is reputedly worth around \$4.5 trillion, so it is not really surprising that there are powerful lobbyists and plenty of 'edu-businesses' waiting in the wings. A foothold in the English market is a big selling point around the world. But before anyone gets too seduced by the arguments in favour of this 'new frontier' in education policy, it's important to think long and hard about the irreplaceable benefits our schools provide, beyond simply churning out good test and exam results. Social cohesion, inclusion, child wellbeing and of course, the power of community.

None of these can be priced, or measured in terms of profit or loss – and nor should they be.