

# Budget 2016: highly questionable whether the academisation of all schools is good policy

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*All schools will become academies, announced George Osborne in his 2016 Budget speech. But the impact of such mass rollout on students' performance is uncertain, explain [Andrew Eyles](#) and [Stephen Machin](#).*



The Conservative government's budget has announced plans to turn all state schools in England into academies. This continues a trend, which began in the early 2000s under the Labour government and subsequently rapidly expanded with the election of the Coalition in 2010, of removing the operation of state schools from local authority control. Currently, nearly two thirds of secondary schools and one in seven primary schools are academies.



The academies programme was introduced by the Labour government to replace existing schools with a new type of state school run outside of local authority control and managed by a private team of independent co-sponsors. The sponsors delegate management of the school to a self-appointed board of governors who have responsibility for employing academy staff, deciding on the policies for staffing structure, pay, discipline and performance management. Since the Academies Act of 2010, the number of academies, particularly in the secondary sector, has expanded rapidly; it is now the case that over 60 per cent of state funded secondary schools have academy status. While the initial programme was targeted at poorly performing schools, the subsequent expansion allowed schools rated 'outstanding' by Ofsted to voluntarily convert to an academy without an independent sponsor – it is these converter academies that now dominate the educational landscape in England.



Two reports from the [Centre for Economic Performance](#) (available [here](#) and [here](#)) use administrative data on pupil performance in England to assess the extent to which academy schools improve educational performance. They find that while early sponsored academies seem to improve performance at failing schools it is very unclear what the

effects of giving better performers academy status will be.

The findings show that a pupil attending a sponsored academy, which opened prior to 2010, for four years could expect, on average, test scores 0.2 standard deviations higher than a similar pupil at a school under local authority control. This improvement in performance was linked to improvement in management practice as well as changes in the school curriculum. Academy conversion leads to a 'higher quality' intake of year 7 pupils as measured by key stage 2 scores of incoming pupils. It should be noted that the above estimates are purged of this effect as they focus on children already enrolled in the school prior to conversion.

Schools that became sponsored academies under the Labour government tended to be located near the bottom of the national GCSE test score ranking in the year prior to becoming academies. Relative to an average performing school, a school in the bottom 15 per cent would be 60 per cent more likely to become an academy during the Labour years. The converse holds for the coalition period, where being in the bottom 15 per cent reduces the probability of becoming an academy by 24 per cent. Likewise, a 10 percentage point increase in the proportion of pupils eligible for free school meals led to a 75 per cent increase in the probability of becoming an academy under Labour. The same increase would have reduced the probability of becoming an academy by 13 per cent since 2010.

The large differences between schools becoming academies pre and post 2010 make it uncertain as to whether the performance improvements found for early sponsored academies can be extrapolated to later conversions. So these findings make it look highly questionable as to whether 100 percent academisation is a good schools policy. In the case of secondary schools, it is not at all obvious what the gains would be. In the case of primary schools, where there is no research on whether academy conversion has generated better outcomes, it is a non-evidence based shot in the dark.

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