THE LONDON SCHOOL OF ECONOMICS AND POLITICAL SCIENCE

School Autonomy, School Choice and the Quality of Education: evidence from England

#LSEeducation

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Professor of Real Estate Economics and Finance, LSE.

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Hosted by the Department of Geography and Environment

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Evidence from England

Olmo Silva

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The new school rules

The academies programme has transformed England's educational landscape

The Economist

After freedom, what?

Liberating schools to run their own affairs produces some great ones, but also plenty of dross. The priority now is to spread success

UK schools

Academy schools benefit 'low-achieving poor pupils' most

FT FINANCIAL TIMES

40,000 children trapped in 'zombie' academy schools

The Guardian

Four teachers explain exactly why making all schools into academies is a terrible idea

Osborne's controversial move hasn't impressed people working in the industry

The INDEPENDENT

The context:
School reforms, autonomy and choice

- Recent school reforms in many countries are centered around promoting school autonomy and parental choice

- Autonomy and choice should lead to emergence of 'best practices' and improve education standards
  - Improved 'matching' + sharper 'market incentives' – mainly, competition

- While appealing, the validity of these arguments rests on a number of 'building blocks'
  - I.e., institutions designed as part of a 'quasi market' in education

The building blocks of choice-based education systems

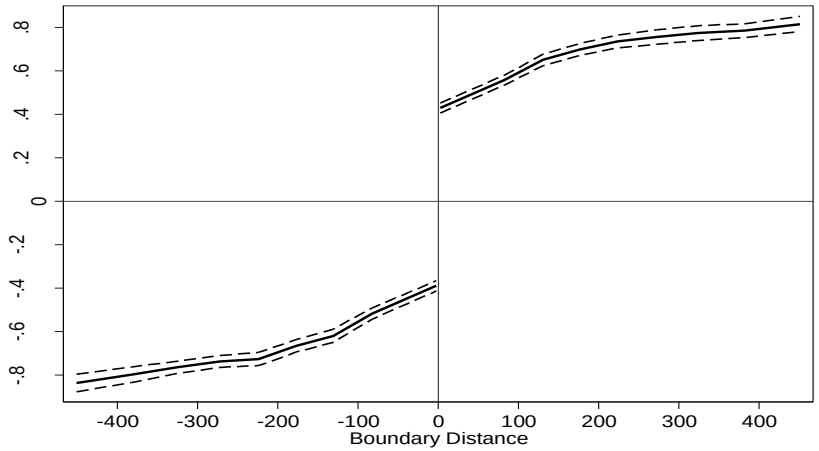
- Accountability: publicly available school quality metrics
- Choice: parents should be able to choose and funding should be portable
- Autonomy: schools should be able to diversify offer
- Market forces: mechanisms and incentives should be allowed to play out

Choice in education:
What do parents want?

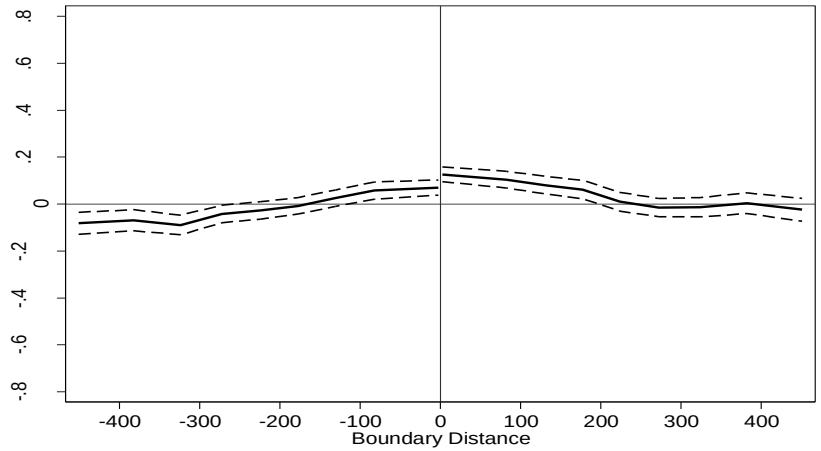
Choice, indirectly – housing markets

- 3% increase in house prices for sizeable increase in school 'quality' – up to £20,500
  - 'Quality' matters either in terms of value-added or school composition

School value-added

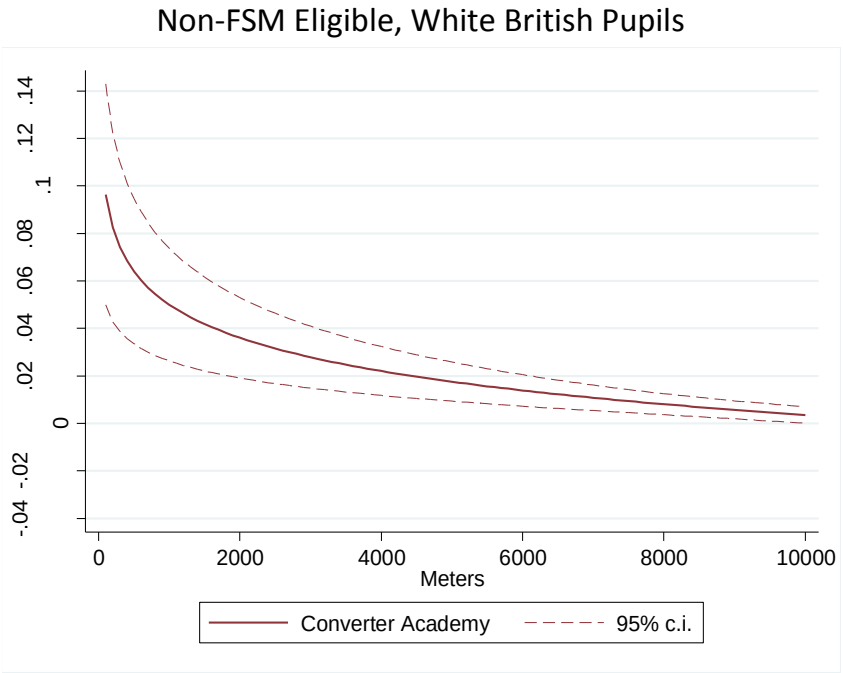


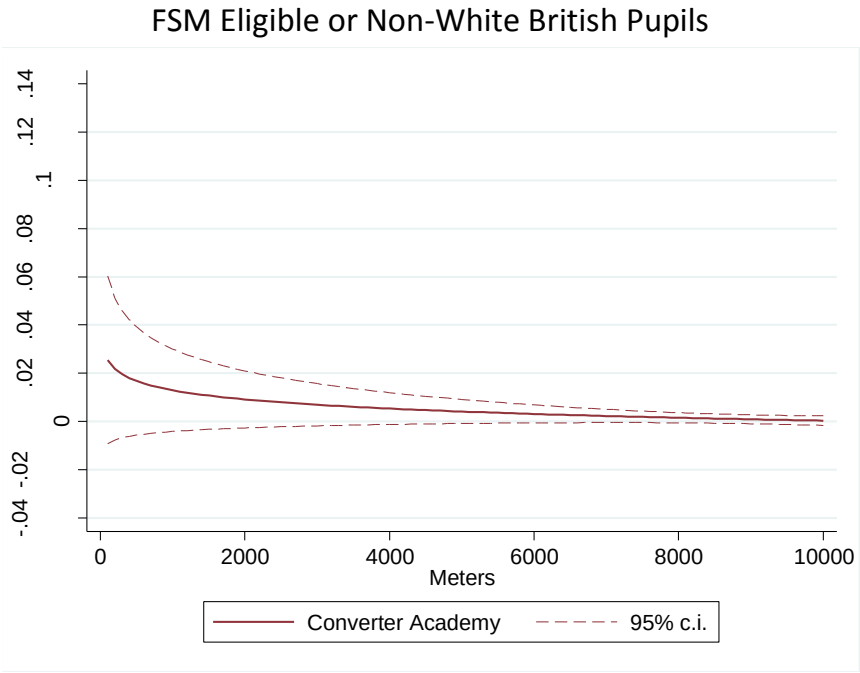
Log house price



Choice, directly – school applications

- Academies 14% more likely to be first preference following conversion – 300m 'willingness to travel'
  - Headline figure masks substantial heterogeneity





Choice, ex-post – satisfaction with school

- Parental satisfaction with school strongly associated with value added and composition
  - Both affect perceptions by similar magnitudes

- Students' happiness at school is not affected by these attributes
  - Similar impression if study pupils' boredom or relations with teachers

- Parental satisfaction with school much more strongly related to value added and composition than happiness
  - Student happiness does not 'capitalise' into house prices conditional on school effectiveness

School choice: comments and remarks

- Parents actively choose based on 'hard' quality metrics
- But evidence also reveals significant heterogeneity
- Could this mask deeper problems with the system?
  - Access to information
  - Access to schools

School autonomy: What effects?

Faith and autonomous schools – any better?

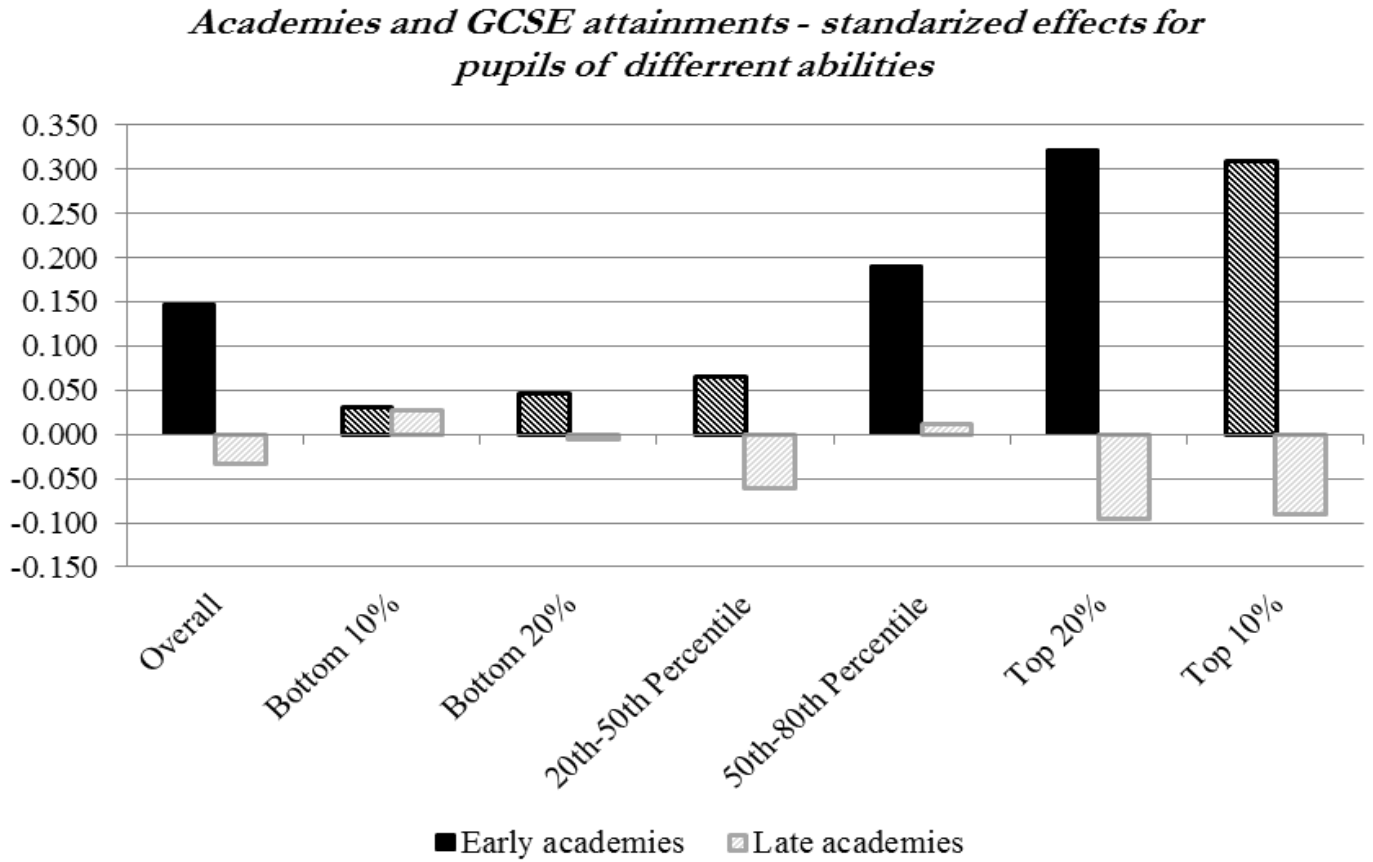
- Study whether religious affiliation and autonomous institutional arrangements make primary schools 'better'
  - Some faith schools are autonomous (voluntary aided), some autonomous schools are secular (foundations)

- Use several methods to deal with problem of selection
  - Detailed prior attainment controls; within postcode analysis; switchers

- Find little evidence that faith and autonomy confer substantial advantages
  - Better performance is mostly explained by background characteristics of students that select into this type of schools

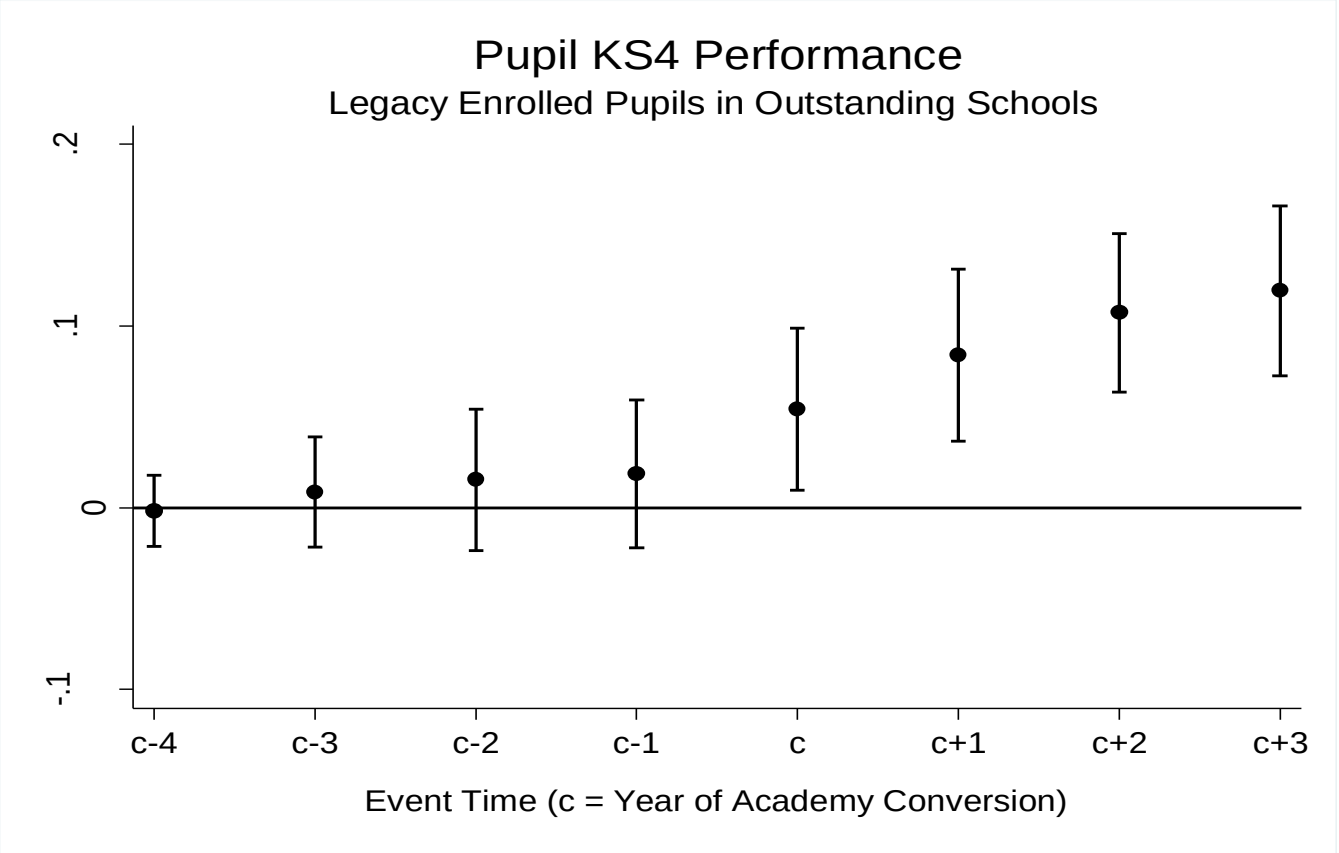
Academies – the impact of 'sponsored'

- Early sponsored academies have a positive and significant effect on pupils' GCSE results
  - But this effect tends to be concentrated on the most able students



Academies – the impact of 'converters'

- Conversion is not generally associated to higher attainments
  - Only among 'outstanding' schools we find a positive effect – but this is not very sizeable



School autonomy: comments and remarks

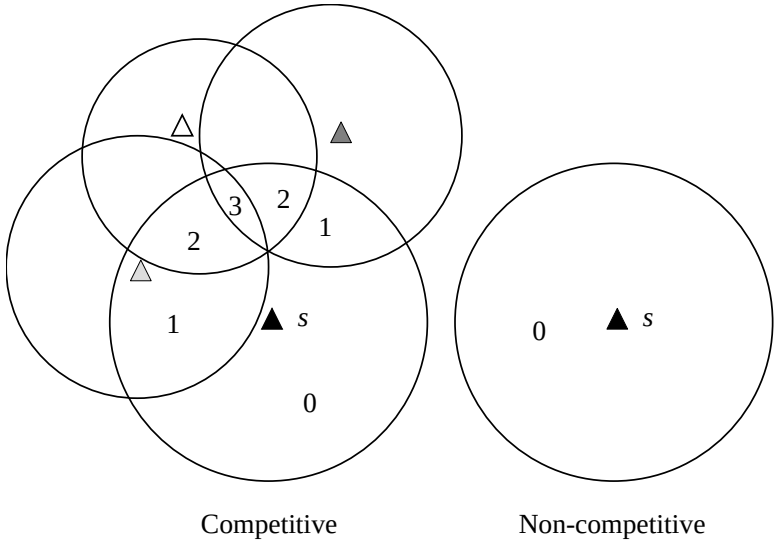
- The emergence of 'Multi Academy Trusts' (MATs)
  - Are schools in MATs really autonomous?

- Academies and accountability: who checks?
  - Ofsted and their inspection regime

School competition: What evidence?

Choice, competition and achievement

- More choice and competition not generally associated with higher value added during primary schooling
  - Though some positive effects for more autonomous schools operating in more competitive environments



School competition – additional evidence

- Are more competitive schools more stratified?
  - Study the impact of competition on the dispersion of early achievements within schools – proxy for quality of intake
  - Imprecise but suggestive evidence: more competition is associated with more 'stratified' schools

- Are schools in dense urban environments better?
  - Study pupils going from primary to secondary education and experiencing changes in 'urban density' around the school
  - Measure density in various ways: number of schools within 2km seems to be the relevant dimension
  - Find that school density positively affects value added – likely explanation: more competition between closely co-located schools

School competition: comments and remarks

- 'This time is different' – really?
- Market incentives are not 'sharp' – school closures and expansions
- Alleviating supply side frictions – free schools
- Other constraints biting hard – teachers

Conclusion and implications

- School autonomy and choice have not proven revolutionary – yet…
- Some issues are structural and require re-thinking
- Be mindful about a system that could create winners and losers
- Good news: on-going research in the land of the largest education experiment of the past twenty years

English state education is no longer ‘bog standard’ – but getting better and better.

Thank you!

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