In his America 2000 Education Strategy, President Bush proposed the establishment of a new generation of public schools—charter schools—as part of a long-term plan to achieve the six national education goals. As envisioned by the president, states will contract directly with "America 2000 Communities," conceived in the strategy as any group of people who can demonstrate a commitment to operate a school. Charter schools also have emerged on state policy agendas, and the nation's first charter school, a Montessori school in rural Minnesota, has been approved. In contrast, England's charter schools, known as grant-maintained schools, already have some history; so far 219 schools at all levels have opted out of the local authority since 1988. This paper highlights what has been learned about charter schools from England's experience over the past 3 years. Offered first is an overview of the charter school concept and how charter schools work in practice. Provided are specific lessons for policy makers and practitioners about strategies for success (i.e. conditions and types of support that are needed) and about some of the challenges that face charter schools in the 1990s. (13 endnotes) (RR)
What Can U.S. Charter Schools Learn From England's Grant-Maintained Schools?

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An Overview of Charter Schools

The charter school concept allows a group of teachers, parents or others who share similar educational views and interests to organize and operate a school. Charters can be granted by either a local school district, the state or as in England, the national government. An educational charter is a written agreement between a school and the granting authority that spells out the goals, objectives and responsibilities of both parties.

Charter schools operate outside the control of local school districts -- they are educationally, financially and legally independent -- but they are free schools paid for out of public funds. Charter schools are literally masters of their own destiny; they are able to hire and fire their employees, devise their budgets, and develop their own instructional programs. England's Education Reform Act also gives grant-maintained schools control over admissions and the right to apply for a change of school character (i.e., the age range and ability level of students).\(^3\) In effect, charter schools offer a model for restructuring education that gives greater autonomy to individual schools and promotes school choice by increasing the range of public school options available to parents and students.

Under a charter plan, the basic power structure of the educational system -- who governs and manages a school, how it is funded, and to whom it is accountable -- changes. In terms of governance, charter schools typically establish their own governing bodies to handle the new policy making and management responsibilities of the school site. These governing bodies are composed of some combination of administrators, teachers, parents and community representatives, some of whom may be appointed and others of whom may be elected. In practice, the governing body of a charter school is equivalent to the board of trustees of a private school and the principal acts as school director.

In the U.S., the charter school concept first surfaced during the late 1980s when Ray Budde, an educational consultant in Massachusetts, wrote a report entitled *Education By Charter* (Andover, MA: The Regional Laboratory for Educational Improvement of the Northeast & Islands, 1988) that was subsequently popularized by Albert Shanker, president of the American
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Federation of Teachers, in his New York Times column, "Where We Stand" (July 10, 1988).

Buckle proposed the charter school idea as a way to empower teachers by creating new professional opportunities, such as the opportunity for teachers to be responsible for the learning program at the school site. Budde envisioned groups of teachers designing instructional programs, filing applications for charter school status and being awarded the charters directly either from the local school board or from the state. Under Minnesota's charter school law, any licensed teacher can ask a local school board to authorize a charter, subject to approval by the state board of education. Once a charter is granted, licensed teachers employed at the school must be a majority of the members of the governing board. A charter school proposal currently under consideration in California stipulates that two-thirds of the teachers at the school must approve before a request for charter status can be submitted. The California proposal also vests teachers with the authority to define the governance structure of the charter school.

In England, reformers were most interested in improving school management by strengthening lay control over schools and so the majority of people on the governing body -- known as the board of governors -- must be community representatives, similar to Chicago's local school councils under school-based management. In addition to community members who are invited to serve on the basis of their expertise, there are some elected members -- five parents and one or two teachers -- on the board of governors. Indicative of England's push for community control is the fact that a majority of a school's parents must approve the application for grant-maintained status before it is considered by the Secretary of State for Education and Science. The principal, who serves ex-officio on the governing board, runs the school on a day-to-day basis and is largely responsible for administration of the school, including the use of buildings and monitoring school performance.

The board of governors, in addition to the powers of finance, admissions and staffing mentioned earlier, may invest monies, acquire and dispose of property, and enter into or repudiate contracts with staff and other agencies. Notwithstanding this independence, grant-maintained schools are obliged to ensure that the National Curriculum, also mandated as part of the 1988
Education Reform Act, is delivered to all students within the age of compulsory schooling (up to 16 years old).

Along with changes in governance, England’s reform also has altered authority relationships between the national government and individual schools. The role of the Department of Education and Science has increased with the Secretary of State having new powers to approve or reject applications for charter school status and powers to oversee implementation of the charters. At the local level, charter schools in England have introduced important limitations on the functions of local district authorities who are forced to give greater autonomy to individual schools and their governing bodies. In response to this loss of control, some local school districts in England have moved into a service role and now compete with other service providers for contracts from charter schools for a variety of services -- from building maintenance and cleaning to professional development and monitoring/evaluation.

In terms of funding, charter schools are restructured so that all monies flow directly to the school and the school is allowed to determine how to budget and expend those monies without intervention by funding authorities. In England, charter schools are maintained by direct grants from the national government’s Department of Education and Science and every time a school opts out, the budget of the local school district is reduced to reflect the shift of money directly to the school. This would be equivalent to a school in Los Angeles severing ties with the local school district and operating with money received directly from Sacramento and Washington, D.C. President Bush’s 535 "break the mold" schools would be funded under charters with each state’s secretary for education and the governor.

The final change associated with charter schools is in the area of accountability. Like schools of choice or magnet schools, charter schools are grounded in an educational marketplace philosophy. Schools must compete for students and if they cannot attract sufficient numbers of students (and tuition dollars), their existence may be jeopardized. Thus, one form of accountability directs accountability outside the professional hierarchy -- the local school board and district superintendent -- toward the community: Parents may choose not to send their children to the
Another form of accountability rests with the party that grants the charter, that is the funding authority. In this way, charter schools are not much different from schools operated by the district. Minnesota's charter schools are subject to the same audits as district schools, including financial, program and compliance audits by the state department of education, the legislative auditor and the state auditor. England's charter schools are likewise subject to inspection by Her Majesty's Inspectorate of Schools, as are schools that remain under local control.

In the U.S., accountability to the funding authority will be further strengthened by the fact that charter schools will exist on a written agreement with a fixed (usually three, four or five year) term. This characteristic has the effect of a sunset provision; it triggers an automatic review of the school before the agreement is renewed. Whereas a state department of education is very reluctant to shut down a local school district or take it over, the charter agreement may be revoked if the school does not achieve the terms and conditions of its agreement by the end of the contract period. By contrast, grant-maintained schools in England are not set up on a fixed term agreement. The schools continue to exist and be funded unless the Department of Education and Science takes action to close an individual school.

In the U.S., as well as in England, a key feature of all charter school reforms has been holding schools accountable for educational outcomes, not process. California's charter school proposal states that the charter will not be renewed by the local school district or state if the school "does not demonstrate educational achievement at least equal to the average of all schools in the state with similar grade levels or if the school is not complying with terms of the charter." Minnesota's law, known as the outcome-based charter schools bill, also ties accountability to pupil performance stating that a contract may be terminated or not renewed by the state if the school fails to meet the requirements for pupil performance contained in the contract. Accountability with England's charter schools also extends beyond financial audits to standards of performance including the extent to which schools are implementing the new national curriculum. Grant-
maintained schools, like district schools, also are required to assess and report on their students' progress according to national criteria and guidelines.

**Strategies for Success**

Since 1989, England's Department of Education and Science has been issuing direct grants to schools that allow them to operate free from district control and to become self-governing. Schools that have acquired grant-maintained status represent a range of grade levels (primary, middle and secondary), different sizes and various academic models (grammar, comprehensive, secondary modern). Despite these differences in character, the schools share a general, common purpose -- to improve the quality of education -- and a common policy instrument -- restructuring schools to become self-governing. The grant-maintained schools we studied also share some effective strategies that enabled them to change school practices and move successfully to grant-maintained status.

**Provision of start-up resources.** In England, an often-cited reason for opting out and becoming grant-maintained is that it increases the resources available to the school. Financial incentives available to schools that opt out include two seed grants that can be used during the transitional period -- the time from approval to incorporation -- and the immediate time thereafter. These grants are known as the transitional grant and SPG (R) or special purpose grant (restructuring). In the U.S., Minnesota's charter school law offers no money for start-up costs.6

The first seed grant, the transitional grant, is made available to the new governing body of a school immediately after approval. It is paid as a lump sum plus a rate per pupil. Secondary schools and primary schools with more than 200 students receive a lump sum of $54,000, while primary schools with less than 200 students receive $36,000.7 In addition, all grant-maintained schools regardless of level or size receive $54 for each student enrolled at the school. So, an elementary school in the U.S. with 350 students would be entitled to a transitional grant of about $73,000. In England, the government set a ceiling on the maximum grant available, currently $108,000, however, Parliament already has doubled this figure since the Education Reform Act was passed in 1988.
The transitional grant provides the new governing body with resources in order to prepare for grant-maintained status. The governing body is required to prepare a proposal outlining the way in which the grant will be spent and the budget is subject to a government audit one year after incorporation. Typically, it is used to purchase computer and communication systems; and to recruit and select staff to be employed after incorporation or to begin employment, if they are administrative staff whose work is directly related to the school's preparation for grant-maintained status.

SPG (R) is the second seed grant that the board of governors of newly approved or incorporated grant-maintained schools can apply for. It is available to support staff restructuring during the school's early period of grant-maintained status. In particular, SPG (R) is used to finance lump sum payments to staff who are laid off and/or retire early, where it can be demonstrated that management restructuring has resulted in certain staff positions being excess to future needs.

Finally, a non-financial start-up resource available to schools is planning time or the transitional period as it is known. The board of governors is required to specify an incorporation date in the school's proposal for grant-maintained status. In the early years some schools allowed for about one year of transitional time, however, more recently the period may be less than two months. The school's involvement with school-based management (see section below) as well as the much wider experience of grant-maintained status seems to reduce the need for long transitional periods, although as a flexible start-up resource schools reported that planning time contributed significantly to the way in which the board and senior staff were able to manage the transition to grant-maintained status.

Assistance from outside consultants. Another strategy for success adopted by the British government from the time of approval of the first group of schools is the provision of specific support from external consultants. This support established an organization known as the Grant-Maintained Schools' Centre (GMSC). GMSC was given the mission of providing information, guidance and advice to schools from the time of their approval for grant-maintained
status. It is interesting to note that government funding of GMSC is only "pump-priming"; GMSC's funding is in the process of being reduced to zero over a five-year period. Consequently, GMSC must become self-financing and compete successfully along side other consultants and providers in order to survive.

GMSC offers services to schools both during the transitional period to grant-maintained status and afterwards, once schools have become incorporated. Sixty percent of schools that have opted out have bought some part of GMSC's transitional service. This service assists schools in adapting and setting up administrative and financial systems at the school site. GMSC also investigates sources and negotiates terms for various services and products on behalf of schools.

After incorporation grant-maintained schools can subscribe to GMSC's assistance service, which disseminates information and runs professional development workshops. Within a recent 12-month period (April, 1991 - March, 1992), GMSC sponsored 50 different training/development events and these were attended by approximately 20,000 representatives from grant-maintained schools, including principals, teachers, administrative staff and governing board members. Ninety-nine percent of the grant-maintained schools are current subscribers. Subscription rates range from a minimum of $180 per year for schools with less than 100 students to a maximum of $1080 per year for schools with more than 800 students.

As the GMSC's funding agent, the Department of Education and Science allows GMSC considerable freedom in its areas of activity and so GMSC is able to respond to situations of need as they arise. For instance, GMSC administers the European Economic Community's milk subsidy for grant-maintained schools, which heretofore was a local school district responsibility. GMSC also has taken a leadership role in preparing teachers at grant-maintained schools to administer the standardized tests that are being introduced along with the National Curriculum. Furthermore, because GMSC is in regular contact with different groups of staff and board members of grant-maintained schools, the organization has become an ombudsman representing to the Department of Education and Science implementation concerns from the field. Whereas with traditional schools the Department relies on the district office as a channel for communication in
terms of consultation, representation, dissemination of information and, on some occasions, staff
development, with grant-maintained schools GMSC plays an active role in ensuring that
appropriate mechanisms are set up in these areas.

Prior experience with school-based management. Although the grant-maintained
schools policy is a major feature of the British government's attempts to increase choice and
improve educational standards, it is not the only strategy. The 1988 Education Reform Act also
introduced school-based management or what is known in England as Local Management of
Schools (LMS). Under LMS, the school remains under the control of the district, however,
responsibility for major aspects of resource management is delegated to the school level.

It has been argued that grant-maintained schools and LMS schools should not be regarded
as two different types of institutions but as being at different points on the same management
continuum. This seems a reasonable assertion and is supported by the empirical evidence
provided by those schools that have become grant-maintained. Schools acquiring grant-maintained
status in the early days had no experience with LMS: The introduction of LMS did not start until
April, 1990 whereas grant-maintained schools came into existence in September, 1989. Therefore,
there was no relevant experience for the first grant-maintained schools to draw upon. In April,
1990, there were only 29 grant-maintained schools; in April, 1991, there were 62; and by April,
1992, there were 219 grant-maintained schools. In sum, as experience with LMS increased, more
schools applied and were approved for grant-maintained status. Furthermore, because those more
recently incorporated have some experience with LMS, the schools were able to make the transition
with less effort. For example, the need for extended periods of start-up time has decreased
significantly, from about one year to an average of several months.

The introduction of school-based management in this graduated way has meant that school
staff and governing board members have taken on additional responsibilities over a period of time,
thereby allowing them to develop the appropriate skills and gain experience. At the same time,
district offices under LMS are down-sizing and retooling for their new, more service-oriented
roles. In this way, the move to grant-maintained status has been a natural progression from LMS,
and staff and board members have felt more confident about taking the step to total self-management. In sum, this developmental approach (as opposed to an immediate radical change) has supported and encouraged management changes at the school and district levels that are required for effective site-based management.

Expansion of management staff at school site. A further strategy that has evolved over the past three years is the early appointment of a school administrator/bursar. Traditionally, few British schools employed such a person; financial and administrative matters were handled within the principal’s office, usually by an administrative assistant. However, nearly all grant-maintained schools have made such an appointment, although the level of seniority varies.

The most common approach has been to create a completely new position at the vice-principal level, frequently from outside the world of education. The person appointed to this position then becomes a member of the school’s senior management team and brings to the team knowledge about all the non-educational facets of the school. The role usually encompasses at least some aspects of financial management, personnel management (particularly administrative staff), contracts, leasing, sites and buildings, capital development, marketing and fundraising.

Approaches other than creating a new position also have been adopted. In some schools, particularly primary schools, the position of administrative assistant to the principal has been upgraded to take on financial administration, or one of the vice-principals has been moved into this position. Primary schools usually find the cost of employing an administrator/bursar as part of the senior management team prohibitively expensive and so such responsibilities have been shared among existing teaching and non-teaching staff in many primary schools. As the number of primary grant-maintained schools grows and their geographical proximity improves, other approaches will become more feasible. For example, a group of schools could share the cost of an administrator/bursar or, alternatively, primary schools could buy on a part-time basis the services of an administrator from a local high school.

Challenges to Charter Schools

Early signals from the field indicate that England’s grant-maintained schools are competing...
successfully along side public schools under district control and private schools. As noted earlier, the number of grant-maintained schools has increased dramatically in recent years, from 29 in 1990 to 219 in 1992. In addition, GMSC reported in its 1991 annual report that 88 percent of the grant-maintained schools had increased student enrollments by an average of 5.3 percent in a single year. Further, no grant-maintained schools have yet been closed.

As British schools have moved out of district control and into self-governance, they have encountered some difficulties. This experience provides some useful indicators of the challenges American charter schools will face in the 1990s. Some challenges relate to the education system as a whole, while others affect management at the individual school level.

**Division of responsibility between the governing board and principal.** The division of responsibility between the board of governors and the principal of a grant-maintained school follows a delicate path and provides a real challenge. It is critical that the board adopt a strategic role and leave the tactical management of the school to the senior staff. However, there are examples in England of exactly the opposite happening.

The board of governors may attempt to involve themselves in the day-to-day management of the school and try to become more proactive in areas of the organization traditionally controlled by professional educators. An example of this problem is provided by a secondary school in East London, where a debate over the proper role of the governing board has escalated into a bitter, public battle. Members of the governing board claim they have a right to know what is going on in the school at any time, and so they make frequent visits to the school to see how lessons are taught and how the school is running. The principal, on the other hand, believes board members are interfering too much with the day-to-day management of the school and she has even gone so far as to seek a court order to ban board members from school premises during school hours.

Officials from the Department of Education and Science have written to the governing board on several occasions to give advice on the sort of relationship they would like to see: "The headteacher [principal] is the governing body's professional adviser and their link between the formulation of policy and its execution in the school."
At the other extreme are boards that merely rubberstamp the principal's policies, or worse, are not even informed about school policies. One grant-maintained school principal fired several staff members without taking the matter to the board for approval as the regulations require. In another grant-maintained school where the principal earns a salary higher than most, board members were red-faced when the press confronted them about the amount -- the principal had applied for raise -- and they did not know how much the principal was earning.

In addition to the Department of Education and Science providing counsel, GMSC has stepped in to help clarify the division of responsibility between governing boards and principals. In recent months, an ad hoc commission, chaired by the director of GMSC and composed of grant-maintained school principals and governing board members, officials from the Department and representatives from a professional association of principals, was created to develop guidelines in this area for grant-maintained schools.

Economies of scale. Experience with grant-maintained schools in England suggests that economies of scale can be problematic in two ways. First in the traditional economic sense, large organizations can, because of their size and buying power, obtain goods at significantly lower prices. Additionally, there is an optimum size for the economic delivery of services. In the context of education, the individual school can be too small a unit to deliver some services such as a school psychologist, employee health insurance and information technology systems. Consequently, it is a challenge to those managing grant-maintained schools to find ways of replicating such services at a lower cost than schools dealing individually with the service providers.

Secondly, there are economies of scale in an intellectual sense. Local school districts typically disseminate information to schools about new ideas and good practice, and coordinate and organize professional development activities. The danger is that grant-maintained schools, which are outside this network, will have fewer of these opportunities and will become isolated intellectually. Establishing appropriate mechanisms to overcome these economies of scale provides a further challenge to those managing charter schools, particularly as the schools are likely to be
geographically isolated.

Grant-maintained schools have begun to tackle such issues by establishing staff networks at all levels. These are regionally formed although without rigid boundaries. Principals, administrators, governing board members and classroom teachers meet and support one another in a variety of ways through, for example, joint training and information sessions covering topics such as strategic planning, health and safety issues, and legal and financial responsibilities. The various school constituencies also meet to share ideas and experiences, and to assess students' work to ensure there is consistency across schools.

GMSC plays an active role in establishing and maintaining these networks as well as tackling some of the economies of scale, in an economic sense, by managing joint licenses for copyrights (required for copying published material), and purchasing plans for health insurance and substitute teachers. By subscribing in a bloc, schools receive more favorable terms than they would on an individual basis. However, experience in England suggests that schools must be vigilant to maintain their own autonomy and allocate resources according to their own needs, rather than to fit in with an agreement with other schools.

Restructuring and rethinking the organization of the school. The way in which charter schools use the opportunity of decentralization to fundamentally reappraise how they are organized and what their organizational mission is presents a significant challenge to the schools' governing boards and senior staff. There is evidence in England that some schools opt out to preserve the status quo rather than for reasons connected with the flexibility of self-management. Consider, for example, two comprehensive high schools that opted out to preserve their existing admissions policy rather than become selective, as the district office had ordered. Or, the secondary school in East London that opted out to avert closure as part of the district's reorganization plan. This means that rather than extending parental choice by creating different schools, a grant-maintained school may simply preserve an existing choice. Early evidence from implementation of Minnesota's charter school law suggests a similar pattern. Several schools in rural areas of the state that have applied for charter school status were earmarked to close by
districts in the process of consolidating.

If charter schools are to fully maximize the potential of self-management then they need to take advantage of the opportunity to be different. Applying simply to receive the extra money available to charter schools and preserving the status quo are not significant responses to this challenge. Schools need to consider the fundamental issues of how they redefine their mission, allocate resources and, above all, maximize pupil learning and achievement.

Professional development activities sponsored by GMSC have begun to move in this direction. GMSC workshops for both middle managers (e.g., department chairs, curriculum coordinators) and senior managers (e.g., principals, vice-principals) try to hone strategic planning skills and encourage schools to devise a vision for the future. In addition, GMSC, in association with Leeds Polytechnic and the University of Southern California, has developed an international MBA program aimed at broadening the perspectives of leaders at self-managing schools. This summer, as part of their MBA, 18 principals from grant-maintained schools will spend several weeks at USC working along side 18 principals from site-based managed schools to develop a vision for their school.

Capacity of funding authority to monitor increasing numbers of charter schools. After the Education Reform Act was passed in 1988, a new branch was created within the Department of Education and Science to oversee implementation of the reforms. One section of this branch, which now employs about 60 civil servants, deals exclusively with issues relating to grant-maintained schools. The civil servants advise both schools and departmental ministers on strategy, appropriate procedures, implementation problems and possible outcomes. In addition, the civil servants communicate directly with individual schools on a wide range of administrative, financial and legal matters.

Initially, when the Act was first passed, personnel within the grant-maintained schools section consisted of only three key figures with very limited back-up support. England was divided into three geographical areas and each civil servant assumed responsibility for one of the areas. The "Territorial Officers", as they were known, visited schools when they were approved
for grant-maintained status and became personally familiar with various features of their schools, including the caliber of the staff and governing board, the condition of buildings and individual needs. In this way, the officers had sound practical knowledge and experience to draw upon when advising ministers on policies such as changes in school character.

By the time the number of approved grant-maintained schools reached 100, the Department of Education and Science could no longer afford the resources necessary to maintain the very personal relationship between officers and schools and so the oversight strategy shifted to a more bureaucratic approach. Officers no longer visit schools on a regular basis and instead, the Department sponsors seminars for school representatives (mostly senior staff and governing board members) to address key implementation issues.

In England, the ability of the central government to deal directly and efficiently with over 200 grant-maintained schools already has presented some organizational problems, although they have been managed through increases in staff and changes in oversight strategy. However, the existence of thousands of opted-out schools will call for a more radical approach to the arrangements for servicing them. If the central bureaucracy is extended, how many staff will be required and is it viable? If a regional approach is adopted, the situation could arise where local school districts are reinvented but controlled by the national government rather than the local, democratically-elected government. Such a fragmented system could make it difficult for the national government to implement and check compliance. The situation at the school in East London where the principal and some of the governors are in heated, public dispute is a reminder to the British government just how difficult it is for a distant, central body to monitor what is happening in each school.

Conclusion

The charter school concept has become increasingly popular in England and the U.S. as policy makers and practitioners seek alternative ways to restructure education to improve school performance. Our discussion here has examined the early experiences of grant-maintained schools in England and considered some of the challenges that face self-governing schools in the U.S. and AERAPAP.92 - 15 - 4/13/92
England during the 1990s.

The recent interest in charter schools is eminently rational in terms of what we already know about education reforms aimed at improving practice. The nature of problems in education are interconnected. Consequently, reforms aimed at ameliorating discrete elements of the education system have been disappointing. Observers of education reform have noted the importance of maintaining a system orientation -- that is, reform needs to be systemic and on-going.12

Under a charter school plan, the focus is on changing the education system. Charter schools alter how education systems deliver services by transferring authority to individuals at the school sites. The charter school policies in the U.S. and England also embody many of the attributes of systemic reform, as proposed by Smith and O'Day. Charter schools feature a dual reform strategy that combines state-initiated reform with flexibility at the local level. In England, as in the U.S., charter school reform has been accompanied by centralized policies regarding curriculum and student assessment. Hence, there is leadership from the top -- either at the national or state level -- dictating instructional goals and content for the entire educational system. At the same time, charter schools feature attributes of bottom-up reform in that schools are given the authority and flexibility to design their own strategies for achieving the instructional goals established at the top.

In sum, charter schools offer an interesting reform strategy that combines some attributes of top-down reform, which was popular during the first wave in the early 1980s, with elements of bottom-up reform, characteristic of the late 1980s during the second wave. We have learned that systemic reform focused on changing the educational system is most promising. The challenge lies in understanding how policy makers and practitioners can enable and facilitate the implementation of systemic reforms such as charter schools.
Endnotes


2In addition to grant-maintained schools, the Education Reform Act of 1988 authorized a host of other reforms including a national curriculum, national testing for students, open enrollment and school-based management. For a completely readable description and interpretation of the Act, see Stuart Mac lure, Education Re-formed: A Guide to the Education Reform Act (London: Hodder & Stoughton, 1989).

3Grant-maintained schools interested in changing their character most often want to extend the age range of students they admit. For example, a school may wish to offer sixth form studies (16-18 age range) to students beyond the age of compulsory education. Similarly, although somewhat unusual, a school may apply to extend down the age range of the students it admits from, for instance, 11-18 years to 7-18 years. Grant-maintained schools also have applied for a change in character connected with the ability of students they admit. This may involve the school taking in a full range of abilities or, alternatively, becoming selective in its admissions policy.

4The community representatives who are selected to serve on the board of governors are known as "first governors" and are nominated by the governing board of the school that existed before the school opted out. The number of first governors must be sufficient to form a majority of the whole governing board -- i.e., more than the combined total of the elected parents, teachers and the principal who serves ex-officio.

5In 1990-91, the school's share of the district's expenditure on centrally provided services, such as legal and accounting services, property maintenance and professional development, was on average about 16 percent of direct costs for grant-maintained schools.

6To help remedy this situation, U.S. Senator Dave Durenberger (R-Michigan) recently introduced a bill in Congress that would provide federal monies to support charter schools.

7Throughout this article, a rate of 1.8 was used to convert British pounds to American dollars.


11In addition to the two seed grants discussed earlier, all grant-maintained schools receive from the Department of Education and Science an annual allocation for capital structural repairs. The 1992-93 budget provides $18,000 per school plus $36 per student. (An elementary school with 350 students would receive a grant of $30,600.) To assist with major capital development projects, grant-maintained schools may apply for supplementary grants that are awarded on a competitive basis, by the Department, to some but not all schools. For 1992-93, $43.2 million was allocated for major capital development projects at 88 grant-maintained schools, an average of $491,000 per school.
