

## **A NEW VISION FOR PUBLIC SCHOOLS IN AUSTRALIA**

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State schools have made a major contribution to building the nation and must be included among the most significant successes of government since their establishment in the last decades of the 19<sup>th</sup> century. World best practice can be found in many state schools in Australia. Teachers in state schools are among the most innovative in any system of education. They enjoy an international reputation for resilience and resourcefulness. State systems are international leaders in re-thinking the curriculum and in the use of ICT in the classroom. Study groups of teachers and their leaders from other nations frequently visit Australia because of its reputation for best practice in these fields and in the re-structuring of state systems around the concept of the self-managing school.

Students from state schools are among the very best in the world judging by the performance of 15 year-olds in tests of their capacity to apply knowledge and skills in reading, mathematics and scientific literacy to real life problems. In the findings of the 32-nation Program for International Student Assessment (PISA) announced in 2001, Australia ranked fourth in reading, fifth in mathematics and seventh in science (OECD, 2001a).

### **IS THE STATE SYSTEM IN DECAY?**

In the light of these achievements one might ask how seriously one should take a proposition that the state system is in decay. There is, however, some disturbing evidence in four areas that warrants a more sober assessment:

1. The proportion of students attending state schools is declining (MCEETYA, 2002a). The proportion in government primary schools declined from 79.4 percent in 1981 to 72.8 percent in 2000 and the proportion in government secondary schools fell from 72.9 percent in 1981 to 64.1 percent in 2000. The most recent report from the Australian Bureau of Statistics (2003) reveal that, from 1991 to 2002, the number of students attending government schools increased by 1.0 percent while the number attending non-government schools grew by 20.8 percent. Projections point to a continuation of the trend, especially at the secondary level, so that by 2010, only 60.2 percent of secondary students will be in government schools and overall there will be 66.7 percent of students in government schools, compared to 77.0 percent in 1981. The trend is most evident in Year 12, where enrolments in government schools fell from 65.9 percent in 1991 to 61.2 percent in 2000. The proportion is even lower in Victoria, declining from 62.0 per cent in 1991 to 57.8 percent in 2000. Statistics from the Department of Education & Training (Victoria) (2003) point to a recovery to 58.8 percent in 2003.
2. Deeper analysis of the results in PISA (Lokan, Greenwood and Creswell, 2001; SCRCSSP, 2002) revealed that disparities among students were wider in Australia than in most other nations, favouring girls over boys, urban over rural, high socio-economic over low socio-economic, and non-indigenous over indigenous. This is a serious situation for a nation that seeks to make its way in a knowledge society, and an indictment of efforts to achieve the goals of schooling in the 21<sup>st</sup> century, as agreed in the 1999 Adelaide Declaration by ministers of education who resolved to set

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policies that 'safeguard the entitlement of all young people to high quality schooling' (MCEETYA, 2000).

3. The state of the buildings in which teachers and students are required to work is nothing short of deplorable in many communities. There are literally hundreds of schools in Victoria with buildings designed 40 years ago with an expected life of 20 years, but they are still in use. The dreaded portable or de-mountable classroom is a common feature of schools in high growth corridors. Some schools in long-standing sturdy buildings are utterly dysfunctional as far as modern pedagogy is concerned because they were built on factory lines for standard class sizes and little flexibility is possible without costly renovation.
4. Increasingly, people seem unwilling to enter the profession and, if they do, are unwilling to stay for very long. The Review of Teaching and Teacher Education found that 'too many high calibre teachers leave teaching in the first five years of their teaching careers . . . . Possibly up to 25 per cent of new teachers leave teaching during that early period' (Committee for the Review of Teaching and Teacher Education 2003, p. 24). 'Teacher meltdown' is one of two 'de-schooling' scenarios in a set of six in a recent project of the Organisation for Economic Cooperation and Development (OECD, 2001b). It may be that this 'meltdown' is under way in some parts of state systems in Australia.

The immediate counter to this evidence is that much of it is not exclusively in the province of state systems. Non-government schools share some of the disparity in student achievement and experience the same problems in attracting and keeping people in the profession. The increasing challenge and complexity in schooling must be weighed in the balance. Australia is one of the most multi-cultural of nations and the breakdown in traditional respect for authority, increasing fragmentation in family life and the prevalence of drugs have made the task harder in government schools than in non-government schools. In the final analysis, it may be argued that a dramatic increase in funding for state systems will alleviate if not solve the problem.

In summary, in weighing the proposition, there is, on the one hand, powerful evidence of success, as highlighted at the outset. On the other hand, there is evidence of 'decay' in four forms: (1) the steady and apparently irreversible exodus of students from government schools; (2) the widening gap between high performing and low performing students and a failure to meet expectations in the national goals of schooling; (3) the literal crumbling of school buildings in many communities; and (4) the feared meltdown of the profession.

However one weighs the evidence, there remains the worst-case scenario of the residualisation of the state system. The following should be taken seriously:

It is 2010. The disparities among schools in terms of outcomes that were evident in 2003 have widened, especially but not exclusively at the secondary level. About 60 per cent of secondary students attend private schools, reflecting a steady increase from about 40 per cent at the turn of the century. Parents became increasingly dissatisfied with education offered by schools owned by government and other public authorities. They left the system, prepared to invest ever-larger proportions of personal resources to assure their children success in a knowledge society, with access to the individual care and attention and the increasingly rich range of technologies necessary to achieve these ends. Most government schools are now simply safety net schools.

This need not be the state of affairs at the end of the decade. A more positive scenario and an uplifting vision for the future will be achieved with a new agreement on what it means to be a

public school and a willingness to be innovative in building the support of the whole community for public education. At the very least there should be a reallocation of priorities to provide substantially increased funding to support schools that are in danger of becoming no more than a safety net, as argued in persuasive fashion by Richard Teese in his Inaugural Professorial Lecture at the University of Melbourne (Teese, 2003). I shall illustrate in the third part of the paper how this has been achieved by the Blair Government, leveraged in powerful ways with new forms of public private partnerships.

### **THE CASE FOR A NEW AGREEMENT ABOUT PUBLIC EDUCATION**

In Australia, a state school is a school that is owned, funded and operated by government, with teachers and those supporting the work of teachers at the school site being employees of government. State schools and government schools are synonymous. In recent years, the term 'state school' has been replaced by 'public school' so that 'public school' has become synonymous with 'government school'. Indeed 'public good' and 'public school' and 'government school' and 'state school' are conflated on one dimension of an ideological argument about school education in Australia.

A review of developments around the world suggests that Australia is one of the few countries where such a view holds sway. Maintaining this view is likely to lead to the worst-case residualisation scenario for state schools. The concept of public must be broadened to include public values, and the matter of ownership should no longer be a factor in determining whether a school is a public school. A new agreement on the meaning of the key concepts and the determination of public policy on the matter will not be easy. However, we must set out along this path if we are to achieve a higher level of harmony in public discourse and transform an already fine system of schooling into one that can justifiably lay claim to be one of the very best in the world.

Observers from Britain, Canada, Finland, Hong Kong, The Netherlands, New Zealand and Singapore and most other nations would be puzzled about our view of public education, for in these places, there are few distinctions in public policy on the basis of who owns and operates the school. In The Netherlands, for example, it is unconstitutional and therefore illegal to do so. In Britain, most schools classified as non-government in Australia are part of the public system. In Hong Kong, only about 8 percent of students attend schools owned by government with most of the others attending schools owned by a range of non-profit organisations, with few differences in the extent to which all are funded from the public purse (relatively few attend private schools). Arrangements in New Zealand are relatively recent with the Conditional Private Schools Integration Act of 1975 now widely accepted as a signal success in public policy. Most private schools became part of the public system. Divisive debates have largely disappeared in these nations, and there should now be a determined effort to achieve the same outcome in Australia.

Following the lead of other nations will require non-government schools to cease charging tuition fees in return for full public funding, with the same regime of accountability as government schools. Non-government schools that do not choose to be integrated in this fashion would not be funded from the public purse and would be truly independent as in the nations listed above. Adopting this course of action will not be easy. Australia may have left it too late.

On the positive side, the Ministerial Council for Education, Employment, Training and Youth Affairs (MCEETYA), through its Schools Resourcing Taskforce, adopting 'An Agreed Framework of Principles for Funding Schools' (MCEETYA, 2002b) to ensure that:

- The total level of resources available for schooling is adequate so that achievement of the National Goals for Schooling is a realistic objective for all students.

- Public funding across different schools and sectors is distributed fairly and equitably through a consistent approach to assessing student needs and through having regard to the total level of resources available for students.
- The total of funding for government schooling is adequate to ensure access to high quality government schooling for all, and all governments' funding policies recognise this as a national priority.
- Public funding for schooling supports the right of families to choose non-government schooling and supports non-government schools on the basis of need, within the context of promoting a socially and culturally cohesive society and the effective use of public funds.
- Resourcing for all students is adequate for meeting the National Goals, notwithstanding the school or school sector they attend.

(MCEETYA, 2002b)

The last paragraph of the framework that develops the final principle in the list above is noteworthy:

Overall, government funding policies must ensure that no student is left without access to adequate resources to meet the expectations held for other students. In government schools, public funding must ensure that the level of resourcing is appropriate for meeting the national goals. For schooling generally, funding policy must seek to ensure that whatever the combination of public and private funding for a school, no student, in whatever sector, is left without the opportunity to achieve their potential in schooling through a lack of resources (MCEETYA, 2002b).

The Schools Resourcing Taskforce continues its work through a relatively detailed analysis of the resources required to ensure that all students can achieve the National Goals of Schooling.

It is proposed that values rather than ownership determine whether a school should be considered a public school. These values should include:

- *Choice* to reflect the right of parents and students to choose a school that meets their needs and aspirations.
- *Equity* to provide assurance that students with similar needs and aspirations will be treated in the same manner in the course of their education.
- *Access* to ensure all students will have an education that matches their needs and aspirations.
- *Efficiency* to optimize outcomes given the resources available.
- *Economic growth* to generate resources that are adequate to the task.
- *Harmony* to remedy the current fragmentation of commitment and effort in support of schools.

These values are consistent with the view of Jerome T. Murphy (1999), Dean of the Harvard Graduate School of Education, who believes that:

What will determine whether we call them public schools is not so much the vehicle that's providing the education, but really whether they ascribe to a certain set of public values. Values like equal educational opportunity, values like non-discrimination, and so on. We'll have multiple delivery systems to achieve public values'.

It is proposed that a new agreement on what constitutes public education should be based on a commitment to these values and that any school or system of schools that makes this commitment should be considered to be a public school or public system. At the very least, new partnerships of government and non-government schools should be encouraged and a private role in the support of government schools should be initiated. This theme is developed in the third section of the paper.

## **PUBLIC PRIVATE PARTNERSHIPS**

Evidence of a shift in thinking about the nature of public education has emerged in recent years in the form of public private partnerships. A public private partnership in school education is a legally binding agreement between a public authority responsible for a school or school system and a non-public entity that is intended to bring a benefit to each party. The non-public entity may be an individual or organisation and may be either profit or non-profit. For a non-profit entity, the benefit may be the satisfaction of a mission that may include the achievement of a benefit to the education partner. The non-private entity may be an organisation of volunteers.

Detailed attention is now given to the possibilities of public private partnerships in helping to stop if not reverse the decay that was described in the first part of the paper. The starting point is a summary of five arguments that have been advanced for the approach, with brief illustration and a listing of objections that have surfaced in debates on the possibilities.

Special attention is given to developments in the United Kingdom where the concept of public education is broad enough to include most schools that are described as non-government schools in Australia (there are very few private schools in the UK). Reference is also made to developments in the United States where some systems of public education have entered into agreements with private companies to manage some or all of their schools. The leadership of Nelson Mandela in South Africa is noted. It is concluded that there is a substantial case for the proposition that public private partnerships can add value to public education.

### **Arguments for public private partnerships**

Five arguments for public private partnerships emerge from a study of recent developments. These are briefly explained and illustrated, with more detailed accounts of particular practices in the next section. These five inter-related arguments may be described as the failure of a public authority to meet expectations, securing higher levels of funding, a 'third way' in the delivery of services to the public, the building of social capital, and the transformation of public sector services in a knowledge society.

#### *Failure of public authorities to meet expectations*

One argument derives from the perceived failure of a public authority to deliver education at a standard acceptable to citizens. Successive efforts to improve the situation have proved unsuccessful and, often as a last resort, government has turned to a non-public entity in an effort to remedy the situation. These are the conditions that led to the privatisation of educational services in support of schools in the London borough of Islington, or the privatisation of the management of certain schools in England that continue to be owned and funded by a public authority. It is also the argument for the engagement of companies such as

Edison to manage some or all of the schools in some urban systems in the United States. These actions are based on the assumption that the services provided by the non-public entity will be delivered more efficiently and effectively. This assumption is challenged by those committed to an exclusive role for the public authority and the merits of the argument often turn on evidence of impact, which appears positive in the two instances cited in England and inconclusive in the case of the United States.

### *Securing higher levels of funding*

Another argument is concerned with the availability of funds. Levels of funds in the public purse may be insufficient to provide an educational service at the desired level and one or more mechanisms may be employed to secure support from a private entity. An example is the growing number of arrangements under the Private Finance Initiative in the United Kingdom that calls for a private investor to build or substantially re-furbish and then manage school buildings over a long term, under a leasing arrangement with the public authority. Payments from the public purse are spread over time. The alternative may be a significant increase in taxation or major change in budget priorities among different kinds of public services. All secondary schools in Glasgow have been re-built or re-furnished under such an arrangement. A non-education example in Australia is the recent decision of the state government in Victoria to re-build the Royal Women's Hospital – a public entity – with a substantial injection of private funds, with lease back and management by the private entity over 25 years. Objections are based on the long-term costs to the public authority or a failure to fulfil the contract, for example, when demographic shifts or perceived school performance lead to closure of the school, resulting in financial penalty for breach of contract.

Delfin Lendlease offered a similar line of argument in land developments in Australia in communities such as Caroline Springs in Victoria and Mawson Lakes in South Australia. The developer took the initiative but governments have realised a benefit in the planned integration of education and community, including a range of educational and non-educational services on a single site. A significant saving in public expenditure is realised when a government school, a Catholic school and an independent school agree to share some of their facilities, as is the case at Caroline Springs.

### *A 'third way' in delivering services to the public*

A third line of argument calls for a shift in the concepts of public and public good. In educational terms, the concept of public good may be reflected in an unwavering commitment to achieve the highest level of attainment for every student regardless of circumstance, but who owns the school, or who delivers the service, or even who provides the resources may be the subject of a more pragmatic outlook, depending on what it takes to deliver this outcome. Such approaches are often framed by the concept of a 'third way' in terms of absolute adherence to basic values but, in respect to how to get there, to cite UK Prime Minister Tony Blair: 'We should be infinitely adaptable and imaginative in the means of applying those values. There are no ideological pre-conditions, [and there is] no pre-determined veto on means. What counts is what works' (Blair cited by Midgley, 1998, p. 44). Some ways in which the Blair Government has adopted the approach have been listed above and are illustrated further in the next section.

Extending the concept, Leadbeater even suggests a 'fourth way' to build a common purpose in a knowledge society:

Knowledge is our most precious resource: we should organise society to maximise its creation and use. Our aim should not be a third way, to balance the demands of the market against those of the community. Our aim should be to harness the power of

both markets and community to the more fundamental goal of creating and spreading knowledge. (Leadbeater, 1999, p. 27)

Critics of the ‘third way’ would contend that the concept is ill defined and, in the final analysis, fails to deliver. This line has been followed by critics of the approach in the United Kingdom where, after several years of government that draws on the concept, there is a view that public sector services in education and health are still poorly delivered, even after a substantial injection of additional public funds and a growing number of public private partnerships.

### *The building of social capital*

Invoking the power of the community leads to the fourth line of argument that is, in many respects, the most substantive and persuasive. It suggests that partnership with a non-public entity draws on and enhances the social capital of the school or school system.

Interest in the concept of social capital has waxed and waned. It has re-appeared in recent times in Australia with claimants across the political spectrum. Interestingly, the concept dates from 1916 and its first use, according to Putnam (2000), was in the context of school education:

The term *social capital* itself turns out to have been independently invented at least six times over the twentieth century, each time to call attention to the ways in which our lives are made more productive by social ties. The first known use of the concept was not by some cloistered theoretician, but by a practical reformer in the Progressive Era – L. J. Hanifan, state supervisor of rural schools in West Virginia. Writing in 1916 to urge the importance of community involvement for successful schools, Hanifan invoked the idea of ‘social capital’ to explain why. (Putnam, 2000, p. 19)

Hanifan considered social capital to be ‘those intangible substances [that] count for most in the daily lives of people: namely good will, fellowship, sympathy and social intercourse among the individuals and families that make up a social unit’. Hanifan believed that ‘the community as a whole will benefit by the cooperation of its parts’ (cited by Putnam, 2000, p. 19).

A recent argument along the same lines in the field of education was advanced by Coleman (1988), with the study of Coleman and Hoffer (1987) of public and private schools in the United States concluding that differences in levels of student achievement – higher in Jewish schools and parochial Catholic schools than in public schools – are largely explained by differences in social capital, as reflected in the strength of mutually supporting relationships among school, community, home, church, and a range of non-profit entities including volunteer organisations. Coleman and Hoffer referred to the loss of social capital in recent decades and proposed a range of policy initiatives to re-build and extend it. More recently, Fukuyama (1995) and Putnam (2000) have written of the loss or absence of social capital, especially in western democracies.

Fukuyama defined social capital as ‘the ability of people to work together for common purposes in groups and organisations’ (Fukuyama, 1995, p. 10) (see Adler and Kwon 2000 for a range of definitions). This is a broader view of the concept than originally proposed by Hanifan and it is adopted in this paper, with a wide range of profit and non-profit entities included among those who should ‘work together for common purposes’ in support of schools.

In one sense, the interest of a non-public profit entity would be considered as a more limited form of capital, in the form of money, in expectation of a benefit, in the form of profit. In the

line of argument presented here, however, such arrangements may be seen as part of a larger movement to secure a wider and deeper base of support for schools. Expressed simply, the provision of capital that delivers additional financial resources to schools can be viewed as a contribution to social capital when there is a commitment to ‘work together for common purposes’ in support of those schools. Similarly in respect to arrangements where individuals in profit or non-profit entities provide expertise in support of schools or school systems on a *pro bono* basis. The form of capital provided here is intellectual capital.

The creation of education action zones (EAZ) in England or local learning and employment networks (LLEN) in Victoria are examples of efforts to draw together a range of public and non-public entities in support of schools. The kinds of capital contributed in these arrangements are varied, including financial capital and intellectual capital (often referred to as ‘cash’ or ‘in kind’ contributions, respectively) but, to the extent that they are part of a coherent and comprehensive effort to build community support for schools and school systems, they may be considered to be efforts to build social capital. This reflects Fukuyama’s definition cited above wherein a range of groups and organisations are working together for the common purpose of supporting a public authority in school education.

The social capital line is more evident in the involvement of non-public non-profit entities in the support of schools. An example is the Community Action Network (CAN) in England that describes its work in the following terms:

Community Action Network (CAN) and its partners are creating a model that will assist both in the transformation of education and community regeneration through networking, collaboration and innovation. Our focus is on improving education attainment through a new integrated approach to public service delivery. Through our work in some of the most deprived areas in the UK, CAN is able to deliver practical help and advice aimed at establishing creative and sustainable partnerships across all sectors (CAN, 2003, p. 1)

CAN employs the image of the ‘social entrepreneur’, citing Prime Minister Blair’s view that ‘the combination of strong social purpose and energetic, entrepreneurial drive can deliver genuine results. But if the UK is to benefit fully then I believe it is important that the Government seeks to do all it can to help the future development of social enterprise’ (CAN, 2003, p. 1). The CAN model is an interesting one, given its non-profit orientation and its extensive involvement in ‘the transformation of education and community regeneration’, and more detailed attention is given in the next section to the way it operates.

Finally, in presenting the case from a social capital perspective, there is a line of argument that suggests that maintaining a view of public as synonymous with government [‘owned, funded and operated by government’] has served to deny or limit access to social capital, and that to continue to do so will lead inevitably to the decline of the public school. Under this ‘residualisation’ scenario, the public school is merely a ‘safety net’ for those who cannot afford to attend a private school where, in addition to other forms of capital, social capital is perceived to be relatively strong. Interest in public private partnerships appears to be particularly strong in countries that are multi-cultural in character, and where there are gross disparities in levels of achievement, fears of ‘residualisation’ are high, and social capital is perceived to be weak. These countries include Australia, United Kingdom especially England, and United States especially in large urban school systems. In contrast, interest in such partnerships is not strong in countries that may not be characterised along these lines, for example, in Finland, Korea, Japan and Sweden. In these countries, social capital is already considered to be strong. In Finland, for example, the impressive performance of its 15-year old students in PISA has been explained by many factors, but noteworthy is the strong level of support for schools throughout the community.



### *Transformation of public sector services in a knowledge society*

The final argument in support of public private partnerships lies in the analysis of trends in the transformation of public sector services. The Centre for Research and Innovation (CERI) of OECD provides such an analysis:

Education is being transformed, albeit unevenly and at varying pace, from a producer-led, planned system to one more guided by its multiple stakeholders, as are many other public services. It is called upon increasingly to be more responsive to the needs of the knowledge society and partnerships offer one way in which the new demands can be met. Required competencies change, more advanced, specialised skills are called for, learning programmes ‘tailor-made’ to individuals or groups are in demand. New opportunities and competition are tending to open up in the conventionally public sector, a further driving force for public-private partnerships, and cutbacks in expenditure are also pushing the public sector to search for new (including private) partners. (Istance and Kobayashi, 2003, p. 12)

Innovation in the governance of education is a noble pursuit, as is made clear in the mission of UNESCO and the five functions that this organisation of 188 nations has chosen to carry out that mission. The mission of OECD includes an intention to ‘stimulate experimentation, innovation and policy dialogue’. Its functions include service as a ‘laboratory of ideas’ so that it ‘identifies emerging problems, seeks strategies to solve them, creates space for dialogue, and tests innovative solutions’ (UNESCO, n.d.). It is evident that public education faces a range of problems as efforts are made to promote education as a fundamental right and to improve its quality. The creation and testing of innovative arrangements, including public private partnerships, is consistent with these intentions.

### **Selected illustrations of public private partnerships**

A range of examples is offered here to illustrate the different approaches to public private partnerships that have emerged in recent years. These include private finance initiatives, city academies, private management of public schools, specialist schools, community action networks, moral persuasion, community design and the creation of education precincts, and large-scale philanthropy. Illustrations are drawn from Australia, South Africa and the United States, but particular attention is drawn to developments in the United Kingdom, especially England, where there is a clear commitment of government to reverse ‘decay’ and transform schools.

#### *Private Finance Initiatives (PFI)*

The Conservative Government introduced Private Finance Initiatives (PFI) in the United Kingdom in the early 1990s. Under PFI, construction and refurbishment of schools are funded and implemented by private companies after which the school is leased back to the public authority (local education authority) usually for 25 years. These companies maintain the schools and draw profits from the lease arrangements. Proponents of PFI contend that it is a better approach than securing a substantial injection of public funds over a short term, a course of action that will require higher taxes. They also draw attention to the benefit that principals are not required to manage the facilities under these arrangements, thus allowing them to focus on educational leadership.

PFI have expanded dramatically under the Blair Government that shares the concern of local education authorities about the rapid deterioration of buildings that were designed many decades, even centuries ago for a different era of schooling. According to Farrell (2003a) there are now 59 contracts covering 595 schools with a total capital value of £1.6bn, with the Department for Education and Skills (DfES) allocating a further £1.6bn for 36 contracts

involving more than 600 schools. Another 19 projects covering 260 schools are planned. The largest PFI is in Scotland where all 29 secondary schools in Glasgow are either new or have been radically modernised.

The chief drawback to the PFI (Farrell, 2003b) is the signing of contracts for 25 years in situations where subsequent demographic changes mean that the schools ought to be closed. It is argued that some non-PFI schools may be closed to save education authorities from massive penalties if this happens. There have also been instances where the design of facilities by private providers has not met the requirements of good pedagogical practice. The number of adverse cases appears small compared to the large number of contracts and schools that have gained immediate benefit. They are the unanticipated consequences of new policy in public private partnerships. New arrangements should seek to minimise the risk to all parties.

### *City Academies*

A major project of the Blair Government is the establishment of City Academies that involve the closure, re-opening, re-naming and physical re-building of secondary schools in cities across England. The abandoned schools are seen as having failed their communities despite the various 'special measures' that have been taken to achieve improvement. A feature that warrants their inclusion as an example of public private partnerships is the inclusion of one or more of the following elements: a contribution from the non-public sector of funds in the re-building program (normally a requirement), significant philanthropic support, or the management of the new school by a non-public entity, either profit or non-profit. At the time of writing, 12 academies have been opened and 25 more are in the planning stage. The intention is to establish 50 over the next four years, all in communities marked by poor educational performance and many replacing weak or failing schools.

The Blair Government invokes a social justice argument in proceeding down this path. In remarks delivered at the opening of the Bexley Business Academy in Thamesmead under the title 'Radical Reform is the Route to Social Justice' (Blair, 2003a), he declared that 'academies embody all we are seeking to achieve as a government, tackling social exclusion and transforming life prospects for the least advantaged in our society'. He continued with the following words, reflecting his personal beliefs on the matter of schooling and the planned transformation from the comprehensive schools of the 1960s:

My passionate belief is that educational success is the route to social justice - for each individual young person, and for our nation as a whole - and that there is nothing more important for us as a nation than to invest in new and better schools in areas which have failed in the past.

In this you are an inspiration. This academy - and the investment it represents in people and facilities - could not be more focused on reducing social exclusion and extending opportunity and aspiration within a community which needs them desperately.

To those who fear radical change - and who claim we would be better off not tampering with the comprehensive schools we inherited from the 1960s - I say: come here to Thamesmead, visit the local community, hear about the failed school of the past, compare it with the Bexley Business Academy which is already becoming a beacon of hope and aspiration to the whole community, and see what a change for the better has taken place.

Blair was on sound grounds in presenting this argument. In his landmark address to the Labour Party Conference at Bournemouth (Blair, 2003b), he highlighted his visit to Thamesmead, noting its location in 'one of the most deprived estates in the country', with

only three of 114 students at its predecessor Thamesmead Community College achieving 5 good GCSE passes in the final year before closure. It is now located in a £31 million building, being a sought after location for teachers, a 90 percent attendance rate and the number of students achieving good GCSE passes reaching 20 percent in its first year of operation. Blair recalled a conversation at the official opening: '[the] new attitude was summed up by one young student who told me she had been badgering her mum all week to buy an alarm-clock, as she was scared of sleeping in case she missed a single lesson. What better symbol of the opportunities we are giving our children'?

Of the £31 million invested in new buildings at Bexley, £28 million was provided by government and £3 million was donated by sponsors including Microsoft and Charlton Athletic (football club). The school is managed by a private firm known as the 3E's (derived from the slogan of 'education, education, education' used by New Labour in a statement of its three top priorities in the lead-up to its election in 1997). Its principals are Chief Executive Valerie Bragg, former head of the Kingshurst City Technology College in Birmingham (the first CTC in the UK), and Stanley Goodchild, former Chief Executive of the Berkshire County Council. It is a non-profit company and a wholly owned subsidiary of Kingshurst.

An interesting development in the establishment of city academies is the appointment of an Executive Principal at Greig City Academy in Haringey, London. Formerly known as the Hornsby School (and described in the media as having 'a lamentable reputation at the bottom-of-the-league exam results'), it closed at the end of the 2002-2003 school year and re-opened as Greig Academy at the start of 2003-2004 with a new school uniform, a new philosophy and £50 million investment in infrastructure. Executive Principal David Triggs was appointed in May. He was Principal of Greensward School in Surrey. Greensward and Greig each now have their own principals, reporting to Triggs, who serves as Executive Principal to both schools. A feature of the public private partnership is the role played by the non-profit Community Action Network, described later in this section.

#### *Private management of public schools*

The 3E's is just one of a number of private companies now managing schools in England. The oldest and largest appears to be CfBT, founded in 1965 as the Centre for British Teachers. Based in Reading, it employs over 1300 full-time member of staff and currently operated in 20 countries. Its turnover in 2001 was £70 million. It is a non-profit entity, registered as a charity, and donating over £1 million annually to education projects and research endeavours around the world. It manages the School Improvement Service of the local education authority in Lincolnshire. Its international clients include the Ministries of Education in Brunei and Oman (see [www.cfbt.org.uk](http://www.cfbt.org.uk)).

Another large firm is Cambridge Education Associates (CEA) founded in the late 1980s by a small group of successful school principals and education officers from Cambridgeshire, a pioneering authority in the local financial management of schools that became a key component of the 1988 Education Reform Act and subsequently expanded by successive Conservative and Labour Governments. Since it is now embraced across the political spectrum the terms 'local financial managements' and 'local management' are no longer used, since they refer simply to the way all schools are managed in England. CEA continues to expand its operations, employing large numbers of experienced and successful leaders and managers in schools and school systems. CEA won the contract to provide educational services in the London borough of Islington.

Initial concern about public private partnerships that involve the management of schools has largely dissipated once it was realised that the key personnel were highly successful if not eminent educators in their own right. Concern was particularly high when it was announced that a school in Guildford was to be the first under private management in England. This is

the school now known as the Kings College of the Arts and Technology, managed by the 3E's.

There have been three efforts over the last decade to establish a successful school on the site in Guildford. The original Park Barn School was re-named Kings Manor under a new principal in 1993. It was closed on 31 August 2000 and re-opened on 1 September 2000 under its new name of the Kings College of the Arts and Technology. There was, however, 18 months of preparation by 3E's with current head David Crossley formally appointed after six months, taking up the post and then making new staff appointments and establishing the senior team five months before re-opening. Enrolments have grown from about 280 to about 750 in three years and the ceiling of about 1100 will be reached soon. Local primary schools would previously not recommend the school but it is now the destination of choice for those completing Key Stage 2 (upper primary). Indeed, enrolments at these schools have grown with the success of Kings. Kings' principal David Crossley offers a detailed account of his experience (Crossley 2002; 2003) and has visited Victoria to share his insights for schools in the Northern Metropolitan Region of the Department of Education & Training.

The US-based for-profit entity Edison is about to commence operations in England but its track record is not good. With an initial public offering in 1999, it is one of several such companies in the United States that have endeavoured to win contracts for the management of public schools in difficult circumstances. Indeed, with 57,000 students by 2001 it held a 43 percent market share among such companies. A report for JP Morgan (Odening, 2001) prepared in March of that year predicted shares valued on the stock market at US\$45 in the short term. In reality, their worth plummeted to less than US\$1 within 12 months. Even with a blending of education and business expertise its impact was seen as marginal in the face of unrelenting opposition from unions and others who believed that other avenues of reform were available within the public system. The range of public private partnerships in England, and their apparent success and growing acceptance in circumstances where virtually all other measures have been tried but have failed, suggest that Edison will find it difficult to succeed in its new international venture.

### *Specialist schools*

One of the most notable developments in England is the establishment of specialist schools. Commencing in the Thatcher years with just 15 city technology colleges, there are now more than 1500 out of a total of 3200 secondary schools that have developed a specialist approach. Success has led to it becoming a major item in the Blair Government's agenda for a second term. Facilitating the development is the Specialist Schools Trust and its network of over 2200 affiliated schools (see [www.specialistschoolstrust.org.uk](http://www.specialistschoolstrust.org.uk)).

Ten specialisms are encouraged: arts, technology, languages, sports, business and enterprise, engineering, mathematics and computing, science, humanities and music. Schools are still required to address the national curriculum in each key learning area. The important feature is the development of specialisation or areas of excellence in one or more of the nominated areas. These secondary schools, now clearly constituting a critical mass in England, may be found in every setting, with as many in low as in high socio-economic areas. In committing his government to extending the approach, Prime Minister Blair drew attention to the finding that the number of students gaining high grades is higher in specialist schools than their non-specialist counterparts, 'a figure that holds for schools in poor areas as much as it does for those in wealthy ones' (cited in Specialist Schools Trust, 2002, p. 1; research reported in Jesson and Taylor, 2002).

A feature of the specialist schools program is the expectation and the outcome that schools will have the support of a range of community organisations in funding and support services. In this respect, the network of schools constitutes a set of public private partnerships on a

large scale. An example may be found in a school that has developed a specialism in business and enterprise. Swanlea School in East London is one of 18 business and enterprise colleges:

It has established links with a range of businesses, enterprises and other local schools; Young Enterprise; the Lea River Trust; a local heritage centre; a City Learning Centre near the school; various organisations connected with the local borough, Tower Hamlets, including its Education Business Partnership; the East London Small Business Association; and Cranfield University School of Management. (Specialist Schools Trust, 2003, p. 8)

A large network of specialist schools is known as Vision 2020 and this has become the 'innovation arm' of the Specialist Schools Trust. The 2200 affiliated schools are formed into regions, with each region having an innovation budget. There is a strong culture of sharing good practice in these networks, with the Birmingham network a model of good practice in this regard. A striking initiative is the establishment of a program of leadership development for 'leaders of tomorrow' – those in the first five years of teaching appointment. Features include the leadership of the program by successful principals, a network of mentor support, seminars with leading educationists, and work-related projects.

There is no doubting the Prime Minister's commitment to specialist schools. He included reference to them in his speech at the Labour Party Conference in Bournemouth (Blair, 2003b). In terms of rate of growth and impact, a case can be made that the specialist schools movement in England is one of the most significant developments in secondary education in any nation.

About 35 schools in Victoria have affiliated with the Specialist Schools Trust that employs Dr Wendy Cahill, Senior Fellow in the Faculty of Education at the University of Melbourne, as its regional coordinator. A network of affiliated schools in a number of countries is being assembled. Since the concept of 'specialist school' has currency in England only, a more generic title for the network is under consideration, with a focus on 'transformation'. A likely name is international Networking for Educational Transformation (iNET). A major international conference of affiliated networks will be held in Melbourne in July 2004.

#### *Community action networks*

Reference has been made to the Community Action Network in England and its adoption of the concept of 'social entrepreneur'. Established about twenty years ago it has, in partnership with Rural Net, built the largest network of voluntary organisations in the country, with over 750 members connecting the social, business and public sectors. It works in some of the most deprived areas in the country. Examples include its work with CISCO in 'wiring up' more than 5000 homes in Tower Hamlets to the educational and community facilities at the Bromley by Bow Centre.

The network has developed a CAN Academy Model for application at the local, regional and national levels. The aims of the model include to:

- Improve the quality of educational achievement in schools by developing partnerships beyond the classroom with local social entrepreneurs, voluntary groups, health and social services, further and higher education, business, crime prevention and others
- Tackle the causes and effects of poverty by integrating education, health, welfare and employment opportunities
- Integrate schools with their communities by building on these partnerships to tackle disadvantage

- Support schools to become a visible and positive force in the local community and develop the infrastructure they need to manage community links and programs
- Connect failing schools with a support network of both successful, enterprising schools and less successful schools beyond the local boundaries
- Develop strong school leadership teams who are committed social entrepreneurs
- Establish in all schools an 'enterprise culture' that creates a flexible workforce ready to respond to a changing job market
- Create a pathfinder model that can be replicated across the country and share best practice between partnership schools

(Adapted from CAN, 2003, pp. 6 – 7)

Nine CAN Academies were in the planning stages in mid-2003 with one at the Greig City Academy in Haringey under the leadership of Executive Principal David Triggs described earlier. The network has the strong and active support of the Innovations Unit of the Department for Education and Skills and the Policy Unit of 10 Downing Street.

### *Moral persuasion*

A unique approach to public private partnerships is evident in the work of Nelson Mandela in the Republic of South Africa. By the sheer power of public persuasion with moral purpose he has succeeded in raising funds from private sources to establish a large number of new schools to serve the interests of the poor. Funds for 127 schools were raised during the time he was President. In the week of his 85<sup>th</sup> birthday, he launched the Mindset Network, which is a \$50 million public private partnership aimed at providing television channels for learning in schools using a satellite network. The first educational channel provides mathematics, science and English support to 300 schools around the nation.

It is interesting to learn some of the strategies that Mandela uses to raise funds for schools. For example, TV talk-show host Oprah Winfrey gave him the \$16 million he asked for to start a school. On another occasion, when he had a little time to spare, he phoned a number of banks and in 15 minutes obtained money to send 20 learners to university. In his characteristic style he described how he intended to continue this work in the future. He said that when he went to 'the next world', the first thing he would do would be to seek out the billionaires 'and I am going to say to them, "raise money" ' because 'I know the poor are everywhere and these children need to go to school'.

Nelson Mandela is clearly pre-eminent in his support of schools and for his efforts in establishing public private partnerships by moral persuasion. Tony Blair is also noteworthy with his public presentations and regular appearances at schools where such partnerships have been a feature of the reform effort.

### *Community design and the creation of education precincts*

An interesting model in the Australian setting is the development of The Brookside Learning Centre in Caroline Springs, on the western boundary of Melbourne in Victoria. Delfin Lendlease was the developer of this new residential community that included an education precinct in the design. Three schools from the government and non-government sectors are located on site, including Brookside School (government primary), Mowbray College (independent), and Christ the Priest Catholic Primary, with co-location of a kindergarten, municipal health and community services, and a private childcare facility. Gabrielle Leigh, principal of the Brookside School (soon to be extended to become the Caroline Springs College), describes the approach as a 'Multiple Ownership Design Model' (Leigh, 2002).

The development at Caroline Springs is just one of several initiatives by Delfin Lendlease that has been keen to involve a range of stakeholders in shaping its designs. An example was a recent one-day event in Sydney to consider the requirements for public private partnerships in education in the early years of the 21<sup>st</sup> century as it considered the possibilities for a new development in New South Wales. A range of school and system personnel from different states were involved, including these with direct experience in earlier developments, along with experts from the tertiary sector and others from public and private sectors that offer services to the community. Projects already completed by Delfin Lendlease include Golden Grove and Mawson Lakes in South Australia and Varsity Lakes in Queensland.

### *Large-scale philanthropy*

Philanthropy on a large scale in support of public schools is rare in Australia. An early example is the gift by confectioner Macpherson Robertson that led to the construction in the 1930s of the government school for girls in Melbourne now known as Mac. Robertson Girls High. Along with Melbourne Boys High, it is the most selective of government schools in Victoria, achieving high academic results. More recently in the same state, and responding to quite different needs in dramatically different settings, is the contribution of Richard Pratt through the Pratt Foundation. In close partnership with local government schools in southeast Melbourne, support has focused on the needs of primary age children who have ceased to attend school. Individualised programs have proved successful in securing their engagement in most instances. Also in Victoria, under the leadership of Ellen Koshland, the Education Foundation has emerged from Small Change to fund a range of projects in government schools.

The number of philanthropic endeavours in the United States is too numerous to mention, and the context for such engagement is so different to that in Australia that detailed attention is beyond the scope of the paper. It is sufficient to note that most are focused on schools in disadvantaged settings, with design and implementation by educational experts working in close partnership with schools a feature of engagement. The trust or foundation invariably works to a specific statement of mission, with the donor at arms length providing that mission is reflected in the programs that are funded. Large philanthropies include the Bill and Melinda Gates Foundation, the Pew Charitable Trust and the Annenberg Challenge. The Annenberg Challenge is focused on the needs of disadvantaged schools in urban settings, with impressive gains in educational outcomes in most settings.

Developments in England warrant closer attention because a culture of engagement has emerged over the last ten years, gathering momentum in the first and second terms of the Blair Government. Prime Minister Blair cited the following examples in his address at the opening of the Bexley Business Academy (Blair 2003). Each is a specialist school in London and he highlighted the leadership of the principal, the support of sponsors, and the increase in the percentage of five good passes in the GCSE (the standard measure of school achievement in England over many decades).

- The Harris City Technology College has improved its five GCSE success rate from just 11% in 1990 to 92% this year. Much of this success is due to its outstanding headteacher Carol Bates and its inspired sponsors Philip and Pauline Harris.
- Sir John Cass Language College in Tower Hamlets has transformed its results from just 8% in 1995 to 80% this year. It was the most improved school in the country last year. It is one of the few secondary schools in Europe that teaches Mandarin Chinese. Again, its success is due to the outstanding leadership of its headteacher, Haydon Evans and the marvelous support of its sponsors HSBC and the Sir John Cass Foundation.

- The St Marylebone School of the Performing Arts in Westminster has improved its results from 33% in 1994 to 93% this summer under the outstanding leadership of Elizabeth Phillips with strong support from its sponsor British Airways.

(Blair, 2003)

It is fair to conclude that the weight of evidence in this section of the paper supports the proposition that public private partnerships can add value to public education as defined in a broader agreement on the concept.

### **THE WAY FORWARD**

Resolution of matters related to the ‘public-private divide’ will not be easy. A continuation of the status quo is likely to lead to a further drift from the state system that may well become no more than a ‘safety net’ sector before the end of the decade, especially at the senior secondary level. Widespread dissemination of information about approaches in other countries may help ensure that the public and key stakeholders become aware that there are different ways to resolve the issue. The resource implications are significant, for it will mean that government will need to lift the level of support for all schools in a public sector defined by values rather than ownership. Increased support from non-public sources is needed. The benefits of public private partnerships are now emerging and it is likely that these will become a powerful driving force for change, helping to reverse the evidence of decay.

The new vision for public schools in Australia is of:

- a national system of self-managing schools,
- in a new partnership of commonwealth and states,
- abandoning the divide between government and non-government schools,
- supported by a range of innovative public private partnerships,
- with a strong and highly focused role for the states,
- a well-prepared profession that is comfortable in a challenging framework of accountability,
- securing high levels of achievement for all students in all settings,
- at a time when schooling undergoes fundamental change to meet the needs of a knowledge society.

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