

The Manchester Grammar School Foundation
A public benefit assessment report by the Charity Commission



The Charity Commission

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More information about the Commission together with a range of guidance for charities can be found on our website www.charitycommission.gov.uk, or by contacting Charity Commission Direct:

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The Charity Commission is the independent regulator of charities in England and Wales. In October 2008 we started a public benefit assessment in relation to The Manchester Grammar School Foundation. This is a report of our findings.

Section A: The purpose of this report

This report sets out the Charity Commission's findings from its public benefit assessment for The Manchester Grammar School Foundation ('the charity'), registered charity number 529909. You can find further information about what public benefit assessments are, how we carry them out, a glossary of terms used and other details on the public benefit pages of our website.

Section B: Key details about the charity

Charity registration details

The charity was founded in 1515 by Hugh Oldham, Bishop of Exeter. It is an unincorporated charitable trust and it was registered as a charity in 1966.

Location and operation

The school of the charity is situated in a largely residential area of Manchester, where it operates as a day school for boys.

Pupils

The school has 1,471 boys on its roll aged 9 – 18, of whom 90 are in the recently opened Junior Department for 9 – 11 year olds.

Admissions policy

The school's admissions policy is to select pupils by competitive academic examination in English and Arithmetic.

There is a Learning Support Department to help pupils with special learning needs.

Curriculum

The school prepares its pupils for GCSE, A-level and International Baccalaureate (IB). Subjects taught include those regarded as 'shortage' or national priority subjects by universities and employers: Modern Foreign Languages, Mathematics, Chemistry and Physics. It also provides opportunity for pupils to study Latin and Greek through to A-level.

Religious instruction in accordance with Christian principles is required by the charity's objects. The school is also a multi-cultural community in which six major religions are represented and the pupils' religious and cultural needs are met.

Fees (2008/09)

£8,976 a year

Opportunities to benefit for those unable to afford the fees

Means - tested assistance (more details are in Annex A, section 1)

Bursaries

- Advertised value of bursary awards: up to 100% of fees
- Tenure of awards: the duration of the pupil's education at the school
- Number of bursaries currently awarded: 203 (14% of pupils)
- Number of 100% bursaries currently in place: 120 (8% of pupils)
- Total value of bursaries in 2008/09: £1,665,756
- Value of bursaries given in academic year 2008/09 as a percentage of gross fee income for 2007/08: 14.3%

Hardship awards

Number of temporary hardship awards: 45 (3% of pupils) worth between 10 – 100%

Other opportunities to benefit provided by the charity (Annex A, section 2)

The opportunities provided fall within the following categories:

- access to lessons or other educational events;
- support for A-level students at state schools to help prepare them for entry to universities;
- collaborative working with state schools;
- work with schools overseas;
- hosting events with other schools;
- use of facilities by state and independent schools and groups for young people;
- sharing expertise.

Financial position: year ending 31 July 2008

	Unrestricted funds	Restricted funds	Endowed funds	Total
Income	£11,922,442	£1,199,727	£22,346	£13,144,515
Expenditure	£11,796,968	£1,628,732	£4,071	£13,429,771
Net incoming/ (outgoing) resources	£125,474	£(429,005)	£18,275	£(£285,256)
Net assets	£4,393,169	£3,394,955	£657,850	£8,445,974

Section C: Is the charity's aim capable of being charitable?

In this section, we report on the charity's aim and whether it fits within the list of descriptions of purposes within section 2 (2) of the Charities Act 2006 that are capable of being charitable purposes.

The charity's objects* are as follows:

"To advance the education of boys by the provision of a day or day and boarding school or schools in or near the City of Manchester.

Religious instruction must be given in the school in accordance with Christian principles under regulations made by the governors."

The charity's aim is therefore to provide a school or schools for the advancement of education of boys and our assessment found that the charity's operation was fully within this aim.

We concluded that the charity's aim does fall within s2(2)(b) of the descriptions of purposes in the Charities Act 2006 - the advancement of education - and is capable of being charitable subject to meeting the public benefit requirement.

* set out in a Charity Commission Scheme dated 19 June 2000

Section D: Is the charity's aim for the public benefit?

To meet the public benefit requirement, the organisation must meet the two public benefit principles. These are:

Principle 1: There must be an identifiable benefit or benefits

Principle 2: Benefit must be to the public, or section of the public

We looked at the sub-principles within each of these.

- Sections D1 and D2 set out our findings for those relating to principle 1.
- Sections D3 - D6 set out our findings for those relating to principle 2.
- Section D7 sets out our conclusions on whether the organisation meets the public benefit requirement.

Section D1

We looked at the first two sub-principles together:

- **sub-principle 1a - it must be clear what the benefits are**
- **sub-principle 1b - the benefits must be related to the aims**

Relevant benefits

The charity's primary benefit is the provision of education to the boys at the school. Beyond the curriculum offered by the school, benefits to its pupils also flow from the following activities which the charity described during the assessment:

- community work carried out by pupils in and out of school through their Community Action Programme;
- links with schools overseas to enable the school's pupils to extend their community work abroad and to understand the needs of pupils in less developed countries;
- charitable fundraising.

In addition, educational benefits for boys at the school and other boys arise from the opportunities given by the school as listed in section 2 of Annex A, of which the following are examples:

- annual Sixth Form Mathematics lecture given to 250 students from local schools and colleges;
- on-line service for pre-university students and teachers of Politics;
- making facilities available to, for example, schools in Manchester to play cricket;
- annual hosting of poetry workshops for local sixth formers;
- joint use of facilities with St James Junior School;
- secondment of a teacher to Uganda to help with teacher training;
- interview coaching for Oxbridge candidates from Manchester schools;
- publication of subject text books by staff;
- teacher training and work for examining boards.

These benefits all relate to the aim and are relevant to these sub-principles.

Benefits which are not relevant

There were some benefits which were identified by the school but which were not relevant to the aim – see section 3 of Annex A.

We concluded that the clear benefits that are related to the charity’s aim are primarily those that arise for the boys who attend the school and, in addition but secondary to that, other boys who are not pupils at the school. The benefits are sufficient to enable us to conclude that the charity does meet sub-principles 1a and 1b.

Section D2

Sub-principle 1c: Benefits must be balanced against any detriment or harm

We explain in *Charities and Public Benefit* our approach to assessing this sub-principle.

Based on this, we found no evidence or indication of detriment or harm in relation to this charity.

We concluded that there was nothing under sub-principle 1c that would affect the assessment of public benefit in this case.

Section D3

Sub-principle 2a: The beneficiaries must be appropriate to the aims

Although the aim does not specify an age range, in practice boys attending the school are aged between 9 - 18. The boys at the school are primarily the beneficiaries of the charity, but beneficiaries also include other boys who are not pupils at the school but who have the opportunity to benefit from educational activities undertaken at, or by, the charity. Although the charity does significant work with both boys and girls, it is currently just the benefit to the boys which counts towards the public benefit assessment. This is because of the way the charity's objects are expressed.

We concluded that the beneficiaries are appropriate to the aim and that this sub-principle is met.

Section D4

Sub-principle 2b: Where benefit is to a section of the public, the opportunity to benefit must not be unreasonably restricted

In this section we consider geographical and other restrictions. In section D5 we consider restrictions arising as a result of the fees charged.

Geographical restrictions

The purpose of the charity is to provide a school "in or near the City of Manchester". The location does not confine the pupils to Manchester boys, and the school's catchment area covers, for example, Glossop, Warrington and Bury.

Age restrictions

There are no age restrictions specified in the stated objects but in practice the opportunity to benefit is limited to boys aged 9 - 18, which is the age range catered for at the school in Manchester.

Gender restrictions

There is a single sex restriction in the objects.

Academic restrictions

There is no requirement in the governing document for children to meet specific academic standards as a condition of entry. The school's policy is for entry to be by competitive assessment and examination.

Religious restrictions

The charity's objects do not contain any religious restrictions on who may be admitted. Religious instruction must be given in the school in accordance with Christian principles. There are six major religions represented within the school community whose religious and cultural needs are met.

These restrictions on who has the opportunity to benefit are rational and justifiable and **we concluded that** the opportunity to benefit is not unreasonably restricted by geographical or other factors outlined above and that the charity does meet sub-principle 2b in relation to restrictions other than fees.

Section D5

We considered the following related sub-principles together:

- **sub-principle 2b (the opportunity to benefit must not be unreasonably restricted by ability to pay any fees charged); and**
- **sub-principle 2c (people in poverty must not be excluded from the opportunity to benefit)**

Taken together, these sub-principles mean that the charity must be able to show that there is sufficient opportunity to benefit in a material way that is related to the charity's aim for those who cannot afford the fees, including those in poverty.

We describe in section C of *Public Benefit and Fee-charging* the principal factors derived from case law which we use to assess this.

We set out below how these factors apply to the circumstances of the school.

D5(i) *Does the level at which fees are set have the effect of preventing people who are unable to pay the fees from benefiting from the services or facilities?*

The charity primarily carries out its aim by providing a school, for which it charges fees. For all pupils, this was £8,976 per year in 2008/09. The governors told us that their policy is to charge the lowest possible fee consistent with the need to maintain an appropriate level of education for the pupils at the school.

The level of fees charged fits within the definition of 'high fees' in our guidance on *Public Benefit and Fee-charging* because they are unaffordable to many people.

D5(ii) *In relation to those who cannot afford to access the services because of the charges made, to what extent are those charges moderated (in whole or in part) in order to:*

- *permit access to the services charged for*
- *give other access to the benefits of the charity?*

The charity provides a mix of opportunities in relation to this factor. We therefore looked at the totality of benefits provided by these, which include:

- means-tested fee reductions to provide access to an education at the school which those paying fees receive; and
- other measures to provide access to some of the benefits provided by the school

The charity provided details of opportunities which fall within each of these categories and we have set these out at Annex A. In the following paragraphs we explain how we looked at these categories.

- The charity offers means-tested bursaries of up to 100%. These are widely advertised. To qualify for an award it is necessary to meet the academic entry requirements. In 2008/09 there were 203 pupils (14% of pupils) receiving some level of subsidy, of whom 120 (8% of pupils) paid no fees at all. The value of bursary funded places as a percentage of the charity's gross fee income for 2007/08 is 14.3%. There is also a hardship fund for existing pupils whose families face unforeseen hardship – 45 pupils benefited from this assistance.
- The measures described in Section 2 of the Annex all provide some opportunity to benefit and add to the totality of benefits offered. Providing specialised tuition to pupils from state schools, sharing teaching resources and other facilities and hosting multi-school activities such as sporting, music, educational and cultural events all provide potential opportunities to benefit for those unable to afford the fees in ways that are relevant to the aims of the school. Where benefits relate to activities undertaken by individual members of staff in their personal capacity, such as trusteeship of other charities, or membership of academic or professional bodies, it is more difficult to demonstrate that these opportunities are targeted in ways that further the aims of the charity.

Sub-principles 2b and 2c - conclusion

The charity charges high fees which require some mitigation in order to show that the opportunity to benefit is not unreasonably restricted. In relative terms, this is a large school with resources which can be and are used to provide opportunities to benefit in a material way that are related to the charity's aims for those who cannot afford the fees, including those in poverty. It does this through its bursary scheme and the extensive range of additional opportunities, detailed in Section 2, which reach out into the wider community. The totality of benefits provided for those unable to afford the fees:

- ensures that people in poverty are not excluded from the opportunity to benefit;
- provides sufficient opportunities to benefit.

We concluded that, taking into account what is reasonable and appropriate in the circumstances of this charity, it does provide sufficient opportunity to benefit in a material way for those who cannot afford the fees, including people in poverty, and that the charity meets sub-principles 2b (in relation to fees) and 2c.

Section D6

Principle 2d: Any private benefits must be incidental

The charity provides a discount of fees for staff who choose to educate their children at the school. This is a part of the employment terms offered to staff on appointment.

We concluded that private benefits are incidental and that this sub-principle is met.

Section D7

Conclusion: Is the public benefit requirement met?

We concluded that all of the sub-principles are fulfilled and that the public benefit requirement is met.

Section E: Overall conclusions and required or recommended actions

We concluded that The Manchester Grammar School Foundation is a charity and is operating for the public benefit.

There are no required or recommended actions for the governors to take.

THE MANCHESTER GRAMMAR SCHOOL FOUNDATION

OPPORTUNITIES TO BENEFIT FOR THOSE WHO ARE UNABLE TO AFFORD THE FEES, INCLUDING PEOPLE IN POVERTY

This annex uses information provided by the charity to show which activities we assessed in relation to the element of sub-principle 2b relating to fee-charging and sub-principle 2c.

- **Principle 2b** Where benefit is to a section of the public, the opportunity to benefit must not be unreasonably restricted by ability to pay any fees charged
- **Principle 2c** People in poverty must not be excluded from the opportunity to benefit

We have categorised the information as follows:

- means-tested opportunities which provide access to an education at the school to children whose families are unable to afford the fees, including those in poverty (see section 1 below);
- measures which provide opportunities to benefit in ways related to the aims for other children whose families may not be able to afford the fees, including those in poverty (see section 2 below).

At section 3, we have listed examples of activities and opportunities identified by the charity which are connected with the operation of the school but which are not relevant to the aims.

The main body of the public benefit assessment report sets out our analysis of how these opportunities relate to the public benefit requirement.

Section 1

Means-tested opportunities which provide access to an education at the school to children whose families are unable to afford the fees, including those in poverty

- **Means-tested bursaries for prospective pupils**

The school offers means-tested bursaries of up to 100%. There are over 120 pupils (8% of the school roll) who are fully funded, with a further 83 (6%) receiving part funding of 10% - 90% of fees. The size of the award is determined on the basis of income scales set by the charity: full fee remission is available where a family's income is £16,250 or below and there is a sliding scale for fee remission where income is between £16,250 and £36,250.

Free school meals are available to those whose parents receive income support or income based jobseeker's allowance. Free or subsidised travel may be available, based on the parents' postal code and the parental income declared.

Availability is advertised widely through local press, the charity's website, through other schools and on buses and in shopping malls.

Bursaries are awarded on the basis of means-testing where the boy meets the academic entry requirements.

Bursaries are funded from a combination of the school's restricted bursary fund, from a separate charitable trust which liaises closely with the school over bursary funding and from other educational trusts.

The school has a fundraising department which is instrumental in the programme of fundraising for bursaries.

In recent years the number of new bursaries awarded has been between 30 – 35 a year, based on the bursary requirements of existing pupils for the coming year and the funding that can be allocated to fund new bursaries each year.

The school provides temporary bursaries to pupils who entered the school on a full fee basis, but whose families have experienced a dramatic change in circumstances. The temporary hardship awards are spread across the 10% - 100% fee remission range. 45 pupils (3% of pupils) were awarded temporary bursaries in 2008/2009.

At the time of the assessment, the charity's total means-tested bursary support:

- was worth 14.3% of the school's gross fee income from 2007/08 (12.4% of gross income);
- supported 203 pupils (14% of the school roll);
- was available to support new entrants;
- is funded from the charity's bursary fund and from other charities;
- provided fee reductions of 100% to 120 pupils (8% of the school roll).

Section 2

Measures which provide opportunities to benefit in ways related to the aims for other children whose families may not be able to afford the fees, including those in poverty

- **Access to lessons and other educational events**
 - Pupils from Manchester schools are invited to the school for the annual Hugh Oldham Lectures given by academics of international renown.
 - A member of the Mathematics Department arranges an Annual Sixth Form Mathematics lecture on behalf of the Institute of Mathematics and its Applications (IMA). This event takes place at the school and attracts approximately 250 students from local schools and colleges.
 - Saturday classes in mathematics are provided to gifted and talented primary school children.
 - The school's Politics Department runs the Political Education Forum, an online service for students and teachers of Politics at pre-university level.
 - An annual poetry workshop for local sixth formers is hosted by the school.
 - Lectures by visiting speakers are organised by the History Department to which Manchester - area schools are invited.

- A Biennial Medical Conference for Sixth Formers from a wide range of Manchester schools is organised by staff and hosted at the school.
- A member of the History Department manages a history project involving a junior school in Wythenshawe.
- **Support for A-level students from state schools to help prepare them for entry to universities**
 - Help with preparation of local sixth formers is given by the High Master and staff for Oxbridge applications and interviews.
 - The Head of Mathematics provides Oxbridge teaching to pupils from other schools.
- **Collaborative working with state schools**
 - The school has set up sporting links with a state school in North Wales with no sporting programme of its own and no other football fixtures.
 - A member of the Mathematics department is the co-ordinator of the '4schools' project involving local state academies to promote Further Mathematics.
 - Mentoring is provided to the Head of Music at an academy on running a module of a music course.
 - The school provides training workshops and events for IB teachers including those from local state schools as well as from across the world.
- **Working with schools overseas**
 - The school is supporting Nawaikoke College, Uganda by providing £5,000 a year for five years.
 - The school's outdoor centre is used by a German state school for annual visits to the UK.
 - A teacher is seconded to a school in Uganda to help with teacher training.
- **Hosting events with other schools**
 - Sporting fixtures are played against many state maintained schools in a wide range of sports.
 - MGS Harriers host an annual relay competition. This year 9 schools, state and private, took part involving 92 teams and around 250 runners.
 - The school hosts cricket games played by Manchester schools. In recent years they have hosted Manchester Schools v Salford Schools and the finals of two age groups of the Manchester Schools Cricket Competition.

- **Use of facilities by state and independent schools and groups for young people**

- Pupils from Manchester schools are provided with an outdoor experience through use of the school's facilities in Cumbria.

- **Sharing expertise**

Academic work or roles are undertaken by members of staff. Examples include:

- acting as a reviewer for the Joint Association of Classical Teachers (JACT) Classical Review;
- helping teaching assistants with their Postgraduate Certificate in Education (PGCE) applications;
- training and mentoring PGCE students;
- advising students who approach the school considering teaching as a career;
- writing syllabus material for courses;
- acting as examiners and assessors for exam boards.

Section 3

Examples of those activities and opportunities identified by the charity but which are not relevant to the charity's aim

- Involvement of members of staff in other charities or community organisations. Examples include:
 - trusteeship of a local religious charity;
 - recording a local newspaper for blind members of the community;
 - weekend refereeing for local rugby teams;
 - membership of a Youth Offending Team panel.
- Use of the facilities for purposes not related to the aims:
 - use of grounds and buildings for film projects;
 - meetings of local council and ward meetings;
 - use of the swimming pool and a classroom by the British Sub-Aqua Club;
 - use of the biology laboratories by the Manchester Beekeepers Association.

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