



# Cabinet

## Minute of Decision

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### Charter Schools: Update and Next Steps

#### Portfolio

#### Education

On 9 April 2018, following reference from the Cabinet Social Wellbeing Committee (SWC), Cabinet:

#### Contract discussions with Charter Schools

- 1 **noted** that on 26 March 2018, Cabinet authorised the Minister of Education (the Minister) to set an application deadline of 1 May 2018 for charter schools to apply for the establishment of schools under State school models [CAB-18-MIN-0113];
- 2 **noted** that:
  - 2.1 the Ministry of Education (the Ministry) has been and will continue to work towards contract termination with the sponsors of unopened charter schools;
  - 2.2 the Minister expects termination agreements for unopened charter schools to be ready for approval shortly, to be concluded either by mutual termination or by termination for the Minister's convenience before the termination deadline of 15 May 2018;
- 3 **noted** that, if the government does not want charter schools to open in 2019, this will mean that termination decisions will be required by 15 May 2018, after the 1 May 2018 application deadline has been reached, and that the Minister will inform Cabinet of the proposed approach where further termination decisions are to be recommended;
- 4 **noted** that:
  - 4.1 charter schools may choose to submit an application by 1 May 2018 for the establishment of a State school in 2019;
  - 4.2 the Minister will advise Cabinet prior to making commitments to establish State schools;
- 5 **noted** that sponsors have raised a range of issues with a potential transition to the State system including governance structures, resourcing (quantum and form), the issue of religious elements within schools, and the transition of staff to any potential new schools;

**Transition issues**

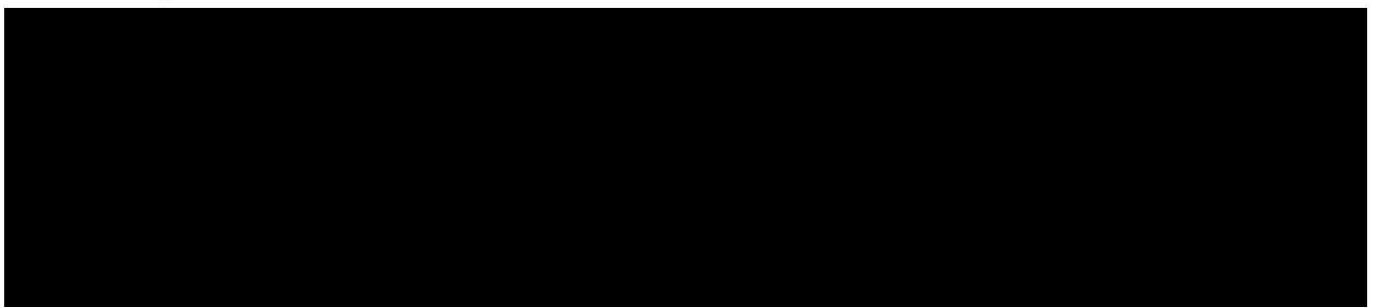
- 6 **noted** that the Minister intends to bring a paper to SWC in May 2018 to progress the potential policy changes further, while advising charter schools what will be explored further and what will not and being clear that the integrity of the State education system is a paramount concern;
- 7 **agreed** that allowing trusts to become the legal entity that governs a new State school is not recommended for further exploration, and that sponsors can be informed;
- 8 **agreed** that a solution to the issue raised by He Puna Marama Trust in relation to the 28th Maori Battalion will be explored further, and that sponsors can be informed;
- 9 **agreed** that one-off transitional funding for charter schools and more flexibility for staffing will be considered further but permanent funding changes including fully cashed up funding are not for further exploration, and that sponsors can be informed;
- 10 **agreed** that State-integrated or private school models would be the best options for sponsors interested in establishing schools with a formal religious character, and that sponsors can be informed that changes to the State school model are not for further exploration;
- 11 **agreed** that sponsors will be informed that potential transition options for staff from charter schools to the state system will be explored further, noting that the one-off transitional funding and flexibility referred to in paragraph 9 will be of some assistance for staff transitions, but that more detailed information on transitional options for staff will be available once Cabinet has considered further advice;
- 12 **agreed** not to amend the State School requirement for principals to be registered teachers;

**Financial implications**

- 13 **agreed** to re-phase the operating contingency over the period 2017/18 to 2018/19 as follows:

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	2017/18	2018/19	2019/20	2020/21	2021/22 & outyears
Operating Contingency: Removal of the charter school model			-	-	-
Transfer between years			-	-	-
Revised Balance			-	-	-

- 14 **noted** that the Minister intends to report back to the Cabinet on the potential cost of establishing State schools by August 2018;

**Ngā Parirau Mātauranga Charitable Trust: next steps with the failed charter school in Whangaruru**



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Michael Webster  
Secretary of the Cabinet

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**Hard-copy distribution:**

Prime Minister  
Deputy Prime Minister  
Minister of Education