

ESTABLISHING THE NEW ZEALAND MODEL OF CHARTER SCHOOL WORKING GROUP

Proposal

1. We propose that Cabinet agree to the establishment of a Working Group to support the development and implementation of a New Zealand model of (what are referred to internationally as) charter schools, during this term of Parliament.

Executive summary

2. We agreed to pilot a New Zealand model of the international charter school as a targeted response to educational underachievement in disadvantaged areas. This was part of the Confidence and Supply Agreement between the National and ACT Parties.
3. This will begin with establishing two of such schools by the end of this parliamentary term. We expect these schools to be located in South Auckland and Christchurch.
4. We agreed to establish a Working Group (the Group) to support the development and implementation of a New Zealand model of charter school. We intend to nominate a full set of members to the Appointment and Honours Committee, in the week commencing 19 March 2012.
5. The Group will bring expertise and knowledge from education, business, and community to the development and implementation of a New Zealand model of charter school.

Background

6. Too many young New Zealanders are not achieving their potential in education, and are leaving the education system without the skills and qualifications to succeed in the workforce. Student achievement levels are too low, particularly for Māori and Pasifika learners. This is a waste of potential and a constraint on economic growth in New Zealand.
7. Other countries, most notably the United States and England, have models based on allocated charters to run schools in areas of disadvantage and persistent underachievement. In many cases, these schools have successfully lifted achievement levels. These models generally combine additional flexibilities about how the school is run with an ambitious mission and external accountability to a sponsor, who is in turn accountable to the state.
8. We will undertake a limited pilot of a New Zealand model of charter school to test this approach to lifting student achievement. We will need to design a model that is fit for the New Zealand context. Establishing two such schools will allow us to examine the effectiveness of this model as a contribution to our system. The lessons from the pilot will inform decisions whether or not to open further such schools, and may provide lessons that can be applied to the wider state school system.

9. We will implement the New Zealand model of charter school within this parliamentary term. This requires the first two such schools to be established by 2014. The timetable to achieve this is challenging, but achievable.
10. Charter schools is only a working name. 'Charter' is already defined in education legislation, and all state schools are, in one sense of the term, charter schools. We will ask the Group to provide early advice on an alternative name.

Establishing a Working Group

11. We will establish a Group to support the development and implementation of a New Zealand model of charter school. This Group will have a private sector chair, and people with backgrounds in education, business, and community.
12. There are complex decisions to be made as part of the development and implementation process. The Group can help by bringing knowledge and expertise from the private and public sectors, experience in educational leadership, and credibility with the public and education professionals to this process.
13. The Group will report to us. The functions of the Group will be to:
 1. provide advice to Ministers about the development and implementation of the new New Zealand model, including:
 - o authorising and accountability arrangements
 - o the freedoms that should be granted to the New Zealand model of charter schools
 - o the content of potential provisions in legislation
 - o all other matters relevant to establishing and operating such a model of school in New Zealand
 2. provide advice to Ministers about processes for providing information and advice to parties interested in establishing such a model of school
 3. provide advice, monitor and report to Ministers on the timetable for successfully establishing two pilot schools within this parliamentary term
 4. oversee the establishment of research and evaluation into the impact and effectiveness of the pilot schools
 5. engage with and consider evidence from experts and interested parties.
14. We will ask the Group to consider issues and options, and provide recommendations. We will also meet regularly with the Chair to seek his/her views on progress of the initiative directly.
15. The Ministry of Education will provide a secretariat function for the Group. Treasury has offered to provide additional analytical support.
16. The Group will not have responsibility for approving the two schools. The Group is not expected to produce a public report or recommendations; the primary role of the Group is to provide advice directly to Ministers.
17. We wish to establish the Group immediately, and expect them to meet for the first time in March-April 2012. The Group will need to work quickly given the tight timescale for this policy. We anticipate that the Group will complete much of its work in 2012, and will need to meet less frequently in 2013 and 2014. The Working Group will be disbanded by the end of this parliamentary term.

18. We are currently considering a list of potential nominees, and will select a Chair from the private sector and six other nominees. We will bring our nominations to Cabinet via the Appointment and Honours Committee, at the meeting of 20 March 2012. Once the nominations are approved, we will appoint the members of the Group. We, with the Minister of Finance, will agree a terms of reference for the Group with the Chair.
19. The fees paid to members will be determined with reference to the Fees Framework for members appointed to bodies in which the Crown has an interest, as agreed by Cabinet in 2009 [APH Min (09) 9/1 and CAB Min (09) 23/3].

Next Steps

20. The Ministry of Education has provided us with initial advice that legislation changes will be needed.
21. We will report back to Cabinet on development on the New Zealand model of charter school by May 2012.

Consultation

22. A draft of this Paper was shared with Treasury, DPMC and SSC. Comments from all three Departments have been incorporated into this Paper.

Financial implications

23. The costs associated with the Group can be met by the Ministry of Education through reprioritisation within existing departmental baselines.
24. Implementing the New Zealand model of charter school policy will have financial implications that may require reprioritisation of Vote Education baselines as further work is undertaken.

Human rights, regulatory impact, disability perspective and gender implications

25. There are no human rights, regulatory, disability or gender implications arising from this paper.

Legislative implications

26. Legislative amendments are not required to establish the Group.

Publicity

27. Implementing the New Zealand model of charter school policy will be of high public interest. Media coverage so far has demonstrated the high levels of interest in the policy. We can expect sustained opposition from some groups including the teacher unions, who view Charter Schools as a threat to teacher conditions and as a form of 'privatisation' of education. The proposals have also received strong support in some quarters, including from a number of groups and individuals who are interested in establishing a New Zealand model of charter school.
28. We will develop an information and communications strategy for this work. It will focus on engagement with the sector and the wider public.

29. We have an ambitious programme of system level change planned for the school system focussed on lifting achievement for all learners, in particular the groups of learners identified in paragraph 6 who have not been well served by the current system. Piloting a New Zealand model of charter school is consistent with this broad theme. Our communications message will focus on the importance of improving results for these learners, and the range of steps we are taking to achieve this goal.

Recommendations

30. The Minister for Education and the Associate Minister for Education (Hon John Banks) recommend that the Committee:
1. **note** that we will pilot a New Zealand model of charter school as a targeted response to educational underachievement in disadvantaged areas
 2. **note** that the pilot will begin with establishing two such schools by the end of this term of Parliament
 3. **note** that the two schools will probably be located in South Auckland and Christchurch
 4. **agree** to the establishment of the Working Group (the Group), reporting to the Minister of Finance, the Minister of Education, the Associate Minister of Education (Hon John Banks) to support the development and implementation of the New Zealand model of charter school
 5. **agree** that the functions of the Group will be to:
 - a. provide advice to Ministers about the development and implementation of the New Zealand model of charter school
 - b. provide advice to Ministers about processes for providing information and advice to parties interested in establishing two such schools
 - c. provide advice, monitor and report to Ministers on the timetable for successfully establishing two such schools within this parliamentary term
 - d. overseeing the establishment of research and evaluation into the impact and effectiveness of the pilot schools
 - e. consult with and consider evidence from experts and interested parties.
 6. **note** the Group will have a Chair from the private sector and six other members
 7. **note** the Group will be established in March 2012, and is expected to finish its work before the end of this parliamentary term
 8. **note** that nominations for the Group will be considered by the Appointments and Honours Committee and then approved by Cabinet
 9. **note** that the Minister of Finance, the Minister of Education and the Associate Minister of Education (Hon John Banks) will agree a terms for reference for the Group with the Chair once appointed
 10. **note** that the costs of the Group will be met from within existing Ministry of Education departmental baselines

11. invite the Minister of Education and the Associate Minister of Education (Hon John Banks) to report back to Cabinet on the development of the Charter School model by May 2012.



Hon Hekia Parata
Minister of Education

29, 2, 12



Hon John Banks
Associate Minister of Education

29, 02, 2011