

**Selection of Round Four Partnership Schools Kura Hourua (PSKH) to proceed into contract negotiations, approval process for Round Five and minor operational policy changes**

**Proposal**

1. This paper informs Cabinet of our intention to agree that two Partnership School Kura Hourua (PSKH) Round Four applicants will progress to the contract negotiations stage, for schools to open in term one, 2018.
2. As we build on the experience of four successful application rounds to date, we also seek Cabinet agreement to a revised approval process for Round Five that involves Joint Ministers approving the final budget before we make decisions to approve sponsors, with no report-back to Cabinet required.
3. Operational policy changes are also required so as to continue to fine-tune the policy and operational framework for PSKH ahead of a PSKH contract review that we will be undertaking.
4. This paper has been developed in conjunction with the Parliamentary Under-Secretary to the Minister of Education, David Seymour MP.

**Executive summary**

5. Our Government has a clear vision for an education system that is achievement-oriented for all children and young people to ensure their successful participation in the current and future economy. That means a system that creates appropriate pathways and options for all students.
6. The PSKH model extends our menu of options for parents and students by offering greater freedom and flexibility to achieve quality education outcomes. In return, there are stronger accountabilities.
7. To date three rounds have been completed, with the most recently approved PSKH opening in February 2017. One school, Te Pūmanawa o Te Wairua, was closed in 2016 due to performance issues. Currently there are 10 PSKH operating in New Zealand with 1,246 students as at the 1 March 2017 roll return.
8. The Round Four selection was led by the Authorisation Board (the Board). Having received advice from the Board, it is our intention to agree that two applicants will progress to the contract negotiations stage, for schools to open in term one, 2018. Subject to successful negotiations, it will be our intention to execute contracts with these applicants.

9. The names of the groups and the proposed schools are:
- a. **Blue Light Ventures Incorporated** which proposed to open a senior secondary school for males in years 11-13 in Taupo, with an opening roll of 30 students and a maximum roll of 90 students, with an attached residential facility; and
  - b. **Te Taumata o Ngāti Whakaue Iho Ake Trust** which proposed to open a years 1-10 composite school in Rotorua, with an opening roll of 80 students and a maximum roll of 200 students.
10. The total value of the contracts to the two approved sponsors would amount to about [REDACTED] over seven calendar years.
11. As part of Budget 2016, an operating contingency was set aside for the establishment of PSKH [CAB-16-MIN-0189.10 refers]. We seek Cabinet approval to re-phase the contingency so it aligns to expected costs arising from Round Five, to be determined from July 2017.
12. We seek Cabinet agreement to extend the contingency set aside in Budget 16 to June 2018 and to delegate the Minister of Finance, and the Minister of Education authority to authorise drawdowns from contingency.
13. It is also our intention, later this year, to select the PSKH from Round Five of applications that will be successful, including applications for Science Technology, Engineering and Mathematics focused PSKH. Unlike previous rounds, for Round Five we intend to make decisions without reporting-back to Cabinet prior to making decisions.
14. This paper also seeks agreement for the Minister of Education to make operational policy changes ahead of a PSKH Contract Review to be completed by mid-2017.

## Background

15. Our Government has a clear vision for an education system that is achievement-oriented for all children and young people to ensure their successful participation in the current and future economy. That means a system that creates appropriate pathways and options for all students, including those for whom the education system has consistently underperformed.
16. In 2012, Cabinet established PSKH as a new type of school in our education system [CAB Min (12) 26/6 refers], run by independent groups called sponsors. The PSKH model extended the schooling options available for parents and students to choose by giving the schools greater freedom and flexibility to enable them to provide quality educational outcomes and to innovate. In exchange, a performance regime was created that includes strong accountabilities for the sponsors who operate the schools.

17. The first five PSKH opened in February 2014, four more opened in 2015 and a further two in 2016. One school, Te Pūmanawa o Te Wairua, faced a number of challenges, as schools often do when they first open. Despite receiving significant support from the Ministry of Education (the Ministry), it was not capable of overcoming its challenges so its contract was terminated in 2016. Currently there are 10 PSKH operating in New Zealand with 1,246 students as at the 1 March 2017 roll return.
18. The sponsor has the legal responsibility for the operation of the Partnership School under contract with the Minister. Sponsors are also required to comply with the Education Act and “Minimum Requirements” in contracts at all times.
19. The contract framework includes an outcomes-based performance management system that sets indicators and targets for a few, vital outcomes for which sponsors are held to account. The current term of contract for PSKH is an establishment phase and six years of operations, plus two further rights of renewal of six years each (18 years total).
20. The Education Legislation Act 2016 has enabled Tertiary Education Institutions (TEIs) to be sponsors of PSKH. Round Five is the first selection round conducted since that law change.
21. The selection process for new PSKH is led by the Authorisation Board with support from the Ministry. The Board is a statutory advisory body to the Minister of Education, and is responsible for advising on applications to be considered for approval. It also has a role to monitor educational performance at the schools. The Minister has authority to approve PSKH applicants (Education Act s158C and s158B refer).

#### **Selection process for Round Four**

22. In Round Four, preference factors were issued to guide potential applicants and the evaluation process in what successful applications might offer. This included applications that would:
  - a. make effective use of the flexibilities offered by the model;
  - b. offer effective, innovative solutions for 0-8 year olds;
  - c. be large enough to be comfortably (economically) viable;
  - d. are located in an area or areas where there are students who are not being well served by the education system;
  - e. bring together education, business and/or community sector partnerships;
  - f. have a focus on science, technology, engineering and mathematics (STEM);
  - g. are not existing private schools seeking to convert to a PSKH.
23. The Authorisation Board, supported by the Ministry of Education, has led the selection process for Round Four. It was run in accordance with the requirements of whole of government procurement policies.

24. There has been innovation to improve the selection process for Round Four. Round Four was a two-stage process that involved an initial presentation of concept by the potential bidders (Expression of Interest stage), followed by submission of full applications. Full applications were requested only from those applicants whose proposals were considered to have merit and a high probability of being approved.
25. A full evaluation of selected applicants was then completed with a reduced number of bidders. Fewer applications were then interrogated more intensively before we received final advice from the Board about which applications to consider progressing to contract negotiations stage. The Board is confident with the proposals proceeding but expects some remaining issues to be resolved before contracts would be signed.
26. In Round Four, a total of four fully compliant applications were received from a diverse group of eight potential sponsors, including Iwi-related organisations, charitable trusts, an existing sponsor and a private training establishment.
27. During the evaluation process, thorough due diligence was undertaken. Clarifications were obtained to verify the key aspects of each bidder's potential offering, and the leaders of the groups were interviewed.

#### **Proposals to proceed to contract negotiations**

28. Having received advice from the Board, it is our intention to select two Round Four applicants that will progress to the contract negotiations stage, for schools to open in term one, 2018. Subject to successful negotiations, it will be our intention to execute contracts with these applicants:
  - a. Blue Light Ventures Incorporated; and
  - b. Te Taumata o Ngāti Whakaue Iho Ake Trust.
29. Both applicants have provided assurance that they would operate a realistic and viable school, and are assessed as having the capability and capacity to deliver by term one, 2018. Further background is set out in Appendix 1.
30. The Ministry will undertake contract negotiations with the preferred applicants. These are expected to be concluded by late May 2017.

#### **Round Four risks**

31. The timeframes for opening schools in term 1, 2018, are challenging for the groups involved. Unexpected circumstances (e.g. availability of property and or renovations, including time to gain required consents, staff and/or student recruitment) have the potential to affect the readiness of schools to open. The Ministry will work closely with the approved sponsors to ensure establishment risks are appropriately managed.
32. Strengthened due diligence was implemented by the Ministry for Round Four. The Ministry contracted Chapman Tripp and PricewaterhouseCoopers to provide additional expertise for the selection process, increasing departmental costs. This has also increased the Board's and Ministry's confidence with the current applicants' proposals, compared to previous rounds.

33. In regard to establishment risks, the Board has also identified some specific matters that I expect to consider further before final contract approval would proceed. These included:
- a. For Blue Light Ventures Inc, that further due diligence be completed on its financial plans and that practical issues with its proposed property be suitably addressed;
  - b. For Te Taumata o Ngati Whakaue Iho Ake Trust, that further due diligence be completed on its proposed property for the school, that it establish a separate legal entity to act as the sponsor, and that commitments made by the iwi are formalised.

#### **Round Five background**

34. Starting in Round Five, Cabinet approved that each application round would focus on a Government preference, and that in Round Five that preference would be on Science, Technology, Engineering and Mathematics (STEM) education provision [SOC-16-MIN-0186]. The current focus on priority learners would continue if there are no suitable STEM-focused applications. The preference factors agreed for Round Four [para 22 above refers] will not apply to Round Five.
35. The Ministry provided advice in December 2016 when we were planning Round Five. Tight timelines were set to mitigate the risk that a procurement process for Round Five might conclude during the 2017 General Election. The timelines were set before the Election date was announced. While additional time is available to extend the selection process now the date is known, we propose to maintain the current timelines as, even though they are tight, they will provide potential sponsors with significantly more time to establish the schools and this is expected to be beneficial to the schools' establishment.

#### **Round Five update and proposed approval process**

36. We have had a promising range and depth of responses from the first stage of Round Five. We are advised that the Board has completed its evaluation of the Expressions of Interest received. Out of the nineteen responses received (seven were for STEM PSKH and 12 were for PSKH for priority learners), 11 of these will be invited to submit applications (four STEM PSKH and seven PSKH for priority learners). At least one group may include a Tertiary Education Institution.
37. Round Five is built on the experience of four successful rounds to date. This paper also informs Cabinet of our intention, from July 2017, to select the PSKH from Round Five of applications that will be progressed to contract negotiations. Unlike previous selection rounds, in Round Five we intend to make decisions without reporting-back to Cabinet prior to making decisions.
38. We propose to drawdown from contingency with joint authority provided by Cabinet. We may consult with Ministers on that report prior to submitting it to the Minister of Finance to have the Round Five drawdowns finalised. Following the confirmation of funding for Round Five, contracts for Round Five are expected to be executed in August 2017.

#### **Minor operational policy changes as a result of a PSKH contract review**

39. We are committed to continuing to fine-tune the policy and operational framework for PSKH, to ensure it is optimal, supported by advice from the Parliamentary Under-Secretary, Mr David Seymour MP.

40. A contract review has been commissioned that will seek to set a single contractual framework in place across the multiple rounds of schools. Round One and Two schools are on a slightly different contract framework to Round Three, and further amendments are expected prior to executing Round Four (and Five) contracts. This means there is currently a variety of contractual frameworks in place, and some of the improvements have not yet been agreed to by all sponsors. The overall objective of the review is to help ensure that PSKH continue to be administered efficiently and equitably by the Crown.
41. The review has the following scope:
- a. review the performance framework;
  - b. clarify the funding mechanisms;
  - c. more clearly explain how the performance regime and intervention framework operate;
  - d. provide more certainty to sponsors to better enable access to external funding sources; and
  - e. simplify the contract to focus on outcomes, whilst ensuring that the Crown's interests continue to be protected.
42. We expect the review to be completed by 2017. While its scope has been agreed, we have not received advice on the specific changes to make and so final decisions have not yet been made. We remain open-minded to consider this advice. Officials have advised, however, that potential changes are likely to be recommended in the following areas, and decisions will be required to effect such changes and are sought now.
43. The changes proposed are:
- a. to remove 1% retention funding from contracts;
  - b. to allow the Minister to change the term of contracts (if required);
  - c. to allow the Minister to set funding rates in contracts (if required).

*Removal of 1% retention funding from contracts*

44. PSKH contracts currently contain a clause requiring 1% of operational funding to be retained by the Ministry (retention funding). This was intended to incentivise performance [CAB Min (13) 5/9 refers]. However, the incentive has not been demonstrated to be most effective so its removal is now recommended.
45. Performance information takes considerable time to be collected, reported and then analysed and assessed. The unavoidable delay to complete this process means that 1% retentions become a short-term penalty for compliant providers. In addition 1% is not enough funding for the Crown to be confident to use it as the sole consequence for significant non-performance. Improvements were also introduced in Round Three [SOC-16-MIN-0037 refers] so that contracts enabled the Crown to recover funding in the event of closure. On balance we assess the removal of 1% retention funding is justified. Performance reporting by sponsors will continue to be monitored.

46. We expect the removal of retention funding will be welcomed by sponsors. We intend to offer the change to sponsors who agree to accept the new contract framework that we expect will be developed following the contract review. The review will specifically look to strengthen the performance regime, so overall we expect we will achieve further improvements in how the Crown manages non-performance.

*Allow the Minister to change the term of contracts (if required)*

47. We seek your agreement to clarify that the Minister is empowered to make changes to the term of PSKH contracts [CAB Min (13) 24/15 refers]. As the term of contracts is under review, we would like flexibility to potentially set different contract terms, if this is recommended following the review. If it is not recommended, then the term of contracts will remain as currently. As this is a matter of operational policy, it does not need Cabinet's ongoing consideration.

*Allow the Minister to set funding rates in contracts (if required)*

48. We seek your agreement that the Minister is allowed to set PSKH funding rates, subject to the available Budget. How contract funding adjustments occur and at what intervals will be part of the review. It will be most practicable, therefore, for the Minister to be empowered to set the funding rates so that specific funding parameters can be included in the new contract framework (this may or may not include the setting of global funding rates across PSKH). The review of funding adjustments will be focused on the adjustment mechanisms only. If we do set funding rates, they will be set within the available budget (i.e. fiscally neutral) and will otherwise remain in accordance with established funding policy [CAB Min (15) 26/4A and CAB Min (13) 5/9 refer]. As this is a matter of operational policy, it does not need Cabinet's ongoing consideration. However, if significant changes are recommended, we will need to report-back to Cabinet.

## **Consultation**

49. The Treasury has been consulted. The Department of the Prime Minister and Cabinet, the State Services Commission and the Education Review Office have been informed.

## **Financial implications**

50. It was agreed that there would be a Round Four and Round Five for PSKH, with new schools to be opened in 2018 and 2019 funded from an operating contingency [CAB-16-MIN-0189.10 refers]. Funding available was then sufficient for about seven medium/large secondary schools. The amount available for Rounds Four and Five increased to about eight schools when funding drawn-down for a Round Three school went unallocated as a preferred applicant withdrew in 2016 (Te Whānau o Waipareira Trust).
51. The Crown's costs relating to establishing new PSKH are determined using the funding model that has previously been agreed by Cabinet [CAB Min (15) 26/4A and CAB Min (13) 5/9 refer]. The model provides each PSKH with establishment funding and operational funding. From Round Three, sponsors were incentivised to seek funding from external sources for the establishment of their schools.

s 9(2)(f)(iv) OIA, s 9(2)(j) OIA

52. The total value of the contracts to the approved Round Four sponsors would amount to about [REDACTED] over seven calendar years (the initial contract term), with establishment payments made to sponsors when contracts have been executed.
53. Based on the roll projections by the applicants, the Crown's total costs for Round Four are expected as follows:

	\$ (m)					
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22 & outyears
Total cost for two Partnership Schools	[REDACTED]					

s 9(2)(f)(iv) OIA, s 9(2)(j) OIA

54. Funding for these costs can be met from a number of sources (in priority order) as shown in the table below:
- allocated funding in Vote Education to fund those students had they attended state schools, that can now be re-allocated;
  - unallocated funding from within Vote Education, associated with the closure of Te Pūmanawa o Te Wairua [CAB Min (13) 24/15] and not proceeding with the Te Whānau o Waipareira Trust application [SOC-16-MIN-0037];
  - Budget 2016 provided an operating contingency for additional PSKH in 2018 and 2019, which expires on 30 June 2017.

	\$ (m)					
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22 & outyears
Per student funding within Vote Education	[REDACTED]					
Other funding within Vote Education (Waipareira, Whangaruru)						
<b>Funding available within vote Education</b>						
Operating Contingency: Additional partnership schools in 2018 and 2019						
<b>Total</b>						

s 9(2)(f)(iv) OIA, s 9(2)(j) OIA

55. At this stage in the process, considering there are two schools of relatively modest size, we are not seeking Cabinet approval to drawdown from the operating contingency at this time. A fiscally neutral adjustment is required between the Non Departmental Other Expenses: Primary Education and Secondary Education appropriations because funding previously drawn-down for Te Pūmanawa o Te Wairua and Te Whānau o Waipareira Trust was for Secondary Education whereas one of the Round Four schools will provide Primary Education as well.



56. No drawdown is required as the Crown's full costs can be met from funding within Vote Education. We seek authority to transfer some funding into subsequent years, so as much funding as possible is available to fund Round Five. If the financial recommendations for Round Four are approved then the revised balance of funding available (not including per-student funding) to support Round Five will be:

s 9(2)(f)(iv) OIA, s 9(2)(j) OIA

	\$ (m)					
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22 & outyears
Funding already within Vote Education (Waipareira, Whangaruru)						
Re-phased operating Contingency for additional partnership schools in 2018 and 2019						
<b>Total balance remaining</b>						

57. Similarly, we seek agreement that the expiry of the current contingency be extended to June 2018, so it remains available to fund Round Five. Currently its expiry occurs in June 2017 while the Round Five selection process is underway.
58. We propose delegated authority be given to the Minister of Finance and the Minister of Education to approve drawdowns against the operating contingency to support Round Five. A drawdown is currently expected from July 2017. The drawdown would be commissioned by me, on advice from the Parliamentary Under-Secretary, and approved by Joint Ministers.

### Human rights gender, disability and legislative implications

59. There are no human rights, gender implications. Because PSKH are required to enrol priority learners, successful schools are more likely to tailor innovative approaches that work well for students who have additional learning needs, including disabilities. No further legislation is required, therefore there is no need for a Regulatory Impact Statement.

### Publicity

60. Publicity will be managed carefully considering the need to manage community expectations and maintain the integrity of the procurement processes.
61. We intend to proactively release the information about the PSKH application and selection processes at the appropriate time, including this Cabinet paper subject to any redactions that may be required. The timing is likely to be from May when contracts have been executed and successful tenderers have been announced.

## Recommendations

62. We recommend that Cabinet Committee:

1. **note** that Section 158B of the Education Act 1989 empowers the Minister of Education (the Minister) to approve a body to be a sponsor of a Partnership School Kura Hourua (PSKH);
2. **note** that in accordance with Section 158C the Minister appointed an advisory body, the Authorisation Board (the Board), to provide advice on the approval of sponsors;
3. **note** that we have worked closely with the Parliamentary Under-Secretary, David Seymour MP, in developing these proposals;
4. **note** that it was agreed that there would be a Round Four and Round Five for PSKH, with new schools to be opened in 2018 and 2019 funded from an operating contingency [CAB-16-MIN-0189.10 refers];
5. **note** that an application process for Round Four has been completed in accordance with the requirements of whole of government procurement policies;
6. **note** that in Round Four, it is our intention to approve two applications to proceed into contract negotiations:
  - a. Blue Light Ventures Incorporated which proposed to open a senior residential secondary school for males in years 11-13 located in Taupo; and
  - b. Te Taumata o Ngāti Whakaue Iho Ake Trust which proposed to open a years 1 to 10 primary-middle school located in Rotorua;
7. **note** that costs relating to establishing new PSKH are determined using the funding model that has previously been agreed by Cabinet [CAB Min (15) 26/4A and CAB Min (13) 5/9 refer]. The model provides each PSKH with establishment funding and operational funding. From Round Three, sponsors were incentivised to seek funding from external sources for the establishment of their schools;
8. **note** that the Crown's total costs for Round Four are expected as follows:

	\$ (m)					
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22 & outyears
Total cost for two Partnership Schools						

s 9(2)(f)(iv) OIA, s 9(2)(j) OIA

9. **note** that funding for these costs will be met from funding within Vote Education and the operating contingency “Additional Partnership Schools in 2018 and 2019” [CAB-16-MIN-0189.10 refers] will remain available in full, as follows:

	\$ (m)					
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22 & outyears
Per student funding within Vote Education						
Other funding within Vote Education (Waipareira, Whangaruru)						
<b>Funding available within Vote Education</b>						
Operating Contingency: Additional partnership schools in 2018 and 2019						
<b>Total</b>						

s 9(2)(f)(iv) OIA, s 9(2)(j) OIA

10. **approve** the following changes to appropriations, to establish Round Four PSKH, with a corresponding impact on the operating balance:

	\$m increase/(decrease)					
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22 & outyears
Vote Education Minister of Education						
Multi-Category Expenses and Capital Expenditure:						
Oversight of the Education System (MCA)						
Departmental Output Expense:						
Monitoring the Education System (funded by revenue Crown)						
Non Departmental Other Expenses:						
Primary Education						
Secondary Education						
<b>Total Operating</b>						

s 9(2)(f)(iv) OIA, s 9(2)(j) OIA

11. **agree** that the changes to appropriations for 2016/17 above be included in the 2016/17 Supplementary Estimates and that, in the interim, these increases be met from Imprest Supply;
12. **note** that re-phasing of the operating contingency is required to allow for Round Five;
13. **agree** to re-phase the operating contingency for "Additional partnership schools 2018 and 2019" over the period 2016/17 to 2017/18, as follows:

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22 & outyears
Operating Contingency: Additional partnership schools in 2018 and 2019						
Transfers between years						
<b>Revised Balance</b>						

s 9(2)(f)(iv) OIA, s 9(2)(j) OIA

14. **note** that a drawdown from the contingency is expected to be required to fund Round Five;
15. **note** that if the financial recommendations for Round Four are approved and the contingency is re-phased then the revised balance of funding available to support Round Five will be:

	\$ (m)					
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22 & outyears
Funding already within Vote Education (Waipareira, Whangaruru)						
Operating Contingency: Additional partnership schools in 2018 and 2019						
<b>Total balance remaining</b>						

s 9(2)(f)(iv) OIA, s 9(2)(j) OIA

16. **agree** to extend the expiry date of the operating contingency to 30 June 2018 as the selection process for Round Five is expected to be complete from August 2017, but could be later;
17. **authorise** the Ministers of Finance and Education jointly to drawdown from the operating contingency when Round Five applications have been received and the financial implications for are known;

18. **note** that the timing of expenditure is driven by the signing of agreements with PSKH sponsors and for Round Four this occurs close to the end of the current financial year, and so if signing becomes delayed we will seek a late in-principle expense transfer to shift establishment funding to the 2017/18 financial year;

*Round Five*

19. **note** that for Round Five the focus was on Science, Technology, Engineering and Mathematics (STEM) education and that PSKH focused on priority learners also remained welcome [SOC-16-MIN-0186 refers];
20. **note** that 19 expressions of interest for Round Five have been received, seven for STEM PSKH, and 12 for priority learner PSKH and that of these we are advised that four STEM PSKH and seven priority learner PSKH will be invited to submit full applications;
21. **note** that on the current Round Five timetable we expect advice from the Board in July to agree the preferred applicants that will proceed into contract negotiations, and that contracts with preferred Round Five providers are expected to be executed in August 2017;

*Minor operational policy changes*

22. **note** that a contract review has been commissioned and that Ministers have not received advice on the specific changes to make and so final decisions have not yet been made, however, potential changes are likely to be recommended in the following areas and decisions are sought now to effect those potential changes;
23. **note** that PSKH contracts currently contain a clause requiring 1% of operational funding to be retained by the Ministry (retention funding), but that this performance incentive has not been demonstrated to be most effective and its removal is recommended [CAB Min (13) 5/9 refers];
24. **agree** that 1% retention funding no longer be required for new contracts, and that 1% retention funding can be removed from existing contracts;
25. **agree** that, if required, the Minister can make minor operational policy changes including to:
- a. set PSKH funding rates in contracts, within the available budget; and
  - b. set the term of contracts.

Hon Hekia Parata  
**Minister of Education**

Hon Nikki Kaye  
**Associate Minister of Education**

## Appendix 1

### Details of potential preferred applicants

#### ***Blue Light Ventures Incorporated***

1. Blue light Ventures Incorporated proposed to open a senior secondary school for males in years 11-13 located in Wairakei Village, Taupo. A residential facility will be attached to the proposed school and most students will be expected to be residential. It would have an opening roll of 30 students and a maximum roll of 90 students. Further details are:
  - a. Their proposal is based on a philosophy of adventure based and Blue Light Ventures intend to use their 79 bed Lodge in Wairakei Village to operate the school.
  - b. Crown funding for the school will be supplemented by philanthropic support and revenues from use of the lodge when students are not there.

#### ***Te Taumata o Ngāti Whakaue Iho Ake Trust***

2. Te Taumata o Ngāti Whakaue Iho Ake Trust proposed to open a years 1 to 10 composite school in Rotorua, with an opening roll of 80 students and a maximum roll of 200 students. It is anticipated that 90% of the roll will comprise Māori students. Further details are:
  - a. The school's special charter is stated in its application as:

*“Using STEM as a curriculum based on the idea of educating students in four specific disciplines — science, technology, engineering and mathematics — in an interdisciplinary and applied approach. We are also infusing Kaupapa Māori, our identity, language and culture to create a STEM curriculum, unique to our learners environment here in Te Arawa, Mai i Maketu ki Tongariro”.*
  - b. The applicant intends to sub-contract to [REDACTED] and has an existing MoU with [REDACTED].
  - c. Crown funding for the school would be supplemented by philanthropic support and [REDACTED].

s 9(2)(b)(ii) OIA

s 9(2)(b)(ii) OIA

s 9(2)(b)(ii) OIA