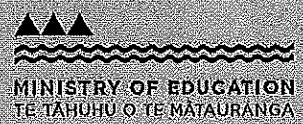


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Briefing Note: Process and timeline for immediate Partnership Schools work programme

Date:	11 May 2015	Priority:	Medium
Security Level:	Budget sensitive	METIS No:	927178
To:	David Seymour MP, Parliamentary Under-Secretary to the Minister of Education		
Copy to:	Hon Hekia Parata, Minister of Education		
Approved by:	Graham Stoop	DDI / Mob	[REDACTED]

s 9(2)(a) OIA

Purpose of report

1. The purpose of this report is to outline the Ministry's proposed process and timeline for the immediate Partnership Schools work programme.

Background

2. On 29 April 2015 we provided the report *Proposed changes to the Partnership Schools funding model* [REDACTED] [METIS 924404 refers]. s 9(2)(1)(iv) OIA
3. In the report we advised that we would provide further advice on the proposed funding model, and on Round Three and related matters, in early July 2015.
4. We also committed to providing a draft Cabinet paper by 13 July 2015, reporting on the results of Partnership Schools' monitoring and evaluation, and confirming the new funding model and Round Three of Partnership Schools applications, for the SOC meeting on 29 July 2015.

Proposed process and timeline for immediate work programme

5. Our proposed approach is to prepare a series of working papers as a basis for ongoing discussions with you. The Minister of Education (the Minister) will be copied into these papers to keep her informed of progress; and giving her the opportunity to provide early feedback should she wish. [See Appendix A for proposed schedule of papers.]
6. We propose to provide consolidated advice to the Minister on 2 July 2015, at which time we will seek feedback and key decisions to inform development of a draft Cabinet paper.

Further development of the funding model

7. There was insufficient time to fully develop the new funding model prior to [REDACTED] Some outstanding issues, particularly around the per-student rate and property funding, need to be addressed before finalising the future funding model.
8. The per-student rate is currently more costly than the current funding model, and funding caps have been applied in order to contain costs. Further work will be undertaken to ensure that the funding model is robust and achieves desired objectives.
9. The current proposal regarding property achieves significant savings in property funding during the set-up phase, but no ongoing savings once a school reaches its maximum roll. You have asked us to explore regional indexing of property funding among other options for achieving ongoing property savings.
10. The Ministry will work closely with you, and in consultation with Treasury, to further develop the Partnership Schools' funding model.

Updating Partnership Schools' contracts

11. The Partnership Schools' contracts will need to be reviewed and updated to take account of impact of changes to the funding model and to address identified issues. A key issue is the potential for recovering resources in the event that a school closes.
12. Work will also be undertaken to identify the potential impacts of the new funding model, and proposed changes to the Partnership Schools' contract, on existing Partnership Schools, and options for managing these.
13. A first step will be to identify issues with the contract, to ensure that your concerns, those of the Minister, and of the Authorisation Board and other stakeholders are addressed. We envisage beginning discussions with the Authorisation Board shortly.

Application process for Round Three

14. We will provide advice on an application process for Round Three, including critical milestones.
15. A new Request for Application (RFA) and related materials will be developed that clearly communicate changed expectations around funding.
16. The current policy is predicated on a fully-funded cashed-up funding model with sponsors managing their resources as they see fit. In moving to shared funding responsibility, government will want to be confident that sponsors have access to sufficient set-up and ongoing funding (or other resources) in addition to that provided by the Crown, to manage risk to the Crown that could arise from funding shortfalls. We will develop an approach to confirm that sponsors have reliable access to sufficient non-government resources.

17. The Minister has asked you to review the continued relevance of the criteria for selection, and government's preferences, especially in light of the new funding model. We will provide some preliminary advice as a starting point for your consideration.
18. The Ministry will work closely with you, and in consultation with the Authorisation Board as appropriate, to further develop the process for Round Three.

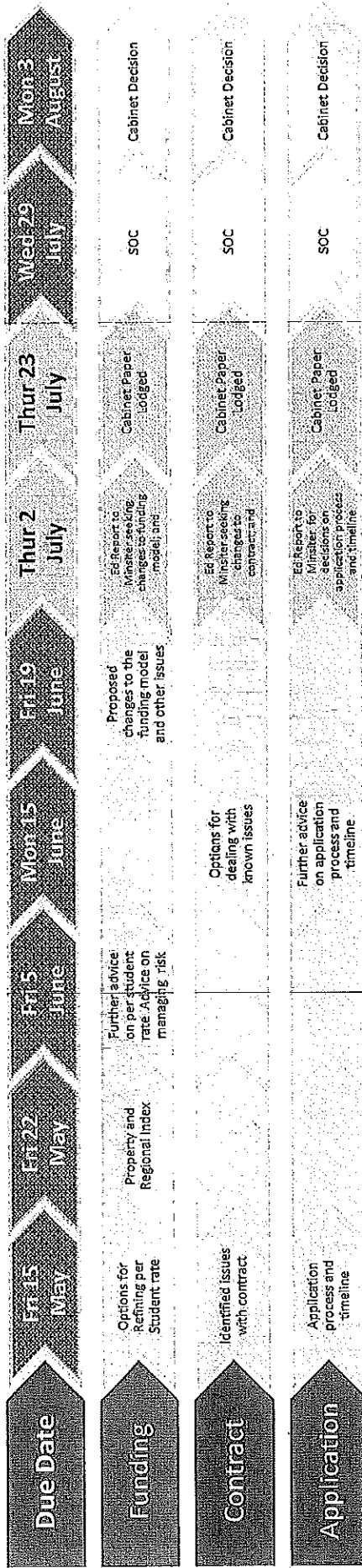
Monitoring and evaluating performance

19. The draft Cabinet paper that we will provide to the Minister on 13 July 2015 will need to report the results of Partnership Schools' monitoring and evaluation [SOC Min (13) 24/4 refers].
20. With the appointment to the Secretariat position it is envisaged that the Authorisation Board will be able to report on its monitoring of Partnership Schools' educational performance.
21. The Ministry will work closely with you, and in consultation with the Authorisation Board as appropriate, to coordinate reporting on Partnership Schools' monitoring and evaluation findings.

Next steps

A detailed schedule of proposed papers is attached as Appendix B.

Appendix A: Proposed schedule of papers



Appendix B: Proposed detailed schedule of papers

Funding model	Description	Date
Paper: Options for refining per student rate	<ul style="list-style-type: none"> Options Scenarios – modelling the effect of the proposed rate on teacher FTEs, class sizes etc for a few hypothetical schools 	15 May
Feedback from Under-Secretary	<ul style="list-style-type: none"> Per-student options that the Ministry should pursue 	22 May
Paper: Property and Regional Index	<ul style="list-style-type: none"> Regional index – possible methodology and cost Options for further savings Scenarios – modelling the effect of proposed property changes on different sizes/types of schools 	22 May
Paper: Further advice on the per student rate and advice on managing risk	<ul style="list-style-type: none"> Reporting back on further work on per-student options that the Under-Secretary has asked us to pursue Advising on options for ensuring that the sponsor has sufficient non-government funding to manage risk to the Crown 	5 June
Feedback from Under-Secretary	<ul style="list-style-type: none"> Property – any further work required Per student rate – preferred option, any further work Managing risk – preferred option, any further work 	9 June
Paper: Proposed changes to funding model and miscellaneous issues	<ul style="list-style-type: none"> Summing up and covering off any outstanding issues 	19 June
Feedback from Under-Secretary	<ul style="list-style-type: none"> Any final issues 	23 June
Education Report to Minister	<ul style="list-style-type: none"> Seeking decisions on proposed changes to funding model 	2 July
Contract review	Description	Date
Paper: identified issues with contract	<ul style="list-style-type: none"> Identification of known issues to be addressed through contract review Proposed approach 	15 May
Feedback from Under-Secretary	<ul style="list-style-type: none"> Comment on paper and identification of any further issues to be addressed 	22 May
Paper: Options for dealing with known issues	<ul style="list-style-type: none"> Options Identification of any further issues 	15 June
Education Report to Minister	<ul style="list-style-type: none"> Seeking decisions on proposed changes to contract (incorporated into Education Report with proposed changes to funding model) 	2 July

Application process	Description	Date
Paper: Application process and timeline	<ul style="list-style-type: none"> Advice on preferences, selection criteria, application process and high-level timeline 	15 May
Feedback from Under-Secretary	<ul style="list-style-type: none"> Comment on paper and commissioning any further work 	5 June
Paper: Further advice on application process and timeline	<ul style="list-style-type: none"> Synthesis of feedback and identification of any further actions/analysis required 	15 June
Education Report to Minister	<ul style="list-style-type: none"> Seeking decisions on application process and timeline (Incorporated into Education Report with proposed changes to funding model) 	2 July
Monitoring and evaluation	Description	Date
Deliverables and dates to be determined		
Cabinet Approval	Description	Date
Final Cabinet Paper Lodged		23 July
Consideration at SOC		29 July
Cabinet Approval		3 August