



## Education Report: Proposal to establish Te Rangihakahaka Centre for Science and Technology as a designated character school in Rotorua

<b>To:</b>	Hon Chris Hipkins, Minister of Education		
<b>Date:</b>	2 July 2018	<b>Priority:</b>	High
<b>Security Level:</b>	In Confidence	<b>METIS No:</b>	1130687
<b>Drafter:</b>	Philippa Pidd	<b>DDI:</b>	[REDACTED]
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<b>Messaging seen by Communications team:</b>	Yes		S9(2)(a) OIA

### Purpose of Report

The purpose of this report is to provide advice to inform your decision on whether to:

**Establish** Te Rangihakahaka Centre for Science and Technology as a Year 1-10 co-educational state school under section 146 of the Education Act 1989, and designate it under sections 156(1) and 156AA as a designated character school, if you are satisfied it meets the requirements of section 156(4) of Education Act 1989 (the Act).

### Summary

1. This report recommends that you establish Te Rangihakahaka Centre for Science and Technology (the school) as a state school under section 146 of the Act, and designate it as a designated character school under sections 156 and 156AA of the Act. The proposed school would be located in Rotorua.

### The proposed school

2. The proposal to establish the designated character school has come from Te Taumata o Ngāti Whakaue Iho Ake Trust (the applicant). The application is endorsed by Te Rangihakahaka Company Limited (Te Rangihakahaka), the current Sponsor of the partnership school | kura hourua (charter school) Te Rangihakahaka Centre for Science and Technology which is Year 1-10 and opened this year. The applicant is the sole shareholder of Te Rangihakahaka. The applicant proposes that the school be a co-educational Year 1-13 composite school. However, we recommend that it enrolls Year 1-10 because there is significant spare capacity across the network at secondary school level. If agreed, the proposed school would have an opening date of Term 1, 2019.

3. We recommend an initial maximum roll of 75 [REDACTED]

S9(2)(j) OIA [REDACTED]

4. It is usual practice to fund a new school on a notional roll in order to give the board some certainty of funding in its establishment period. We have set a notional roll of 85.

S9(2)(j) OIA [REDACTED]

[REDACTED] Should this application be approved we will discuss the notional roll with the EBOT.

### Designated character

5. Section 156(4) of the Act details the requirements for the establishment of a designated character school as:
- a. the designated character school will have a character that is in some specific way or ways different from the character of ordinary state schools
  - b. it is desirable for students (whose parents want them to do so) to get such an education
  - c. students at the school will get an education of a kind that differs significantly from the education they would get at an ordinary state school.
6. The designated character of the proposed school is described as providing a kaupapa Māori learning environment drawing from mātauranga-a-iwi unique to Ngāti Whakaue, and focused on learning through a programme of Science, Technology, Engineering, Arts and Mathematics (STEAM). The school's approach to education uses *The New Zealand Curriculum* (NZC), and adopts a bilingual environment to promote the revival and retention of te reo Māori.
7. The proposed school would contribute to the Ngāti Whakaue Education Strategy – Ngāti Whakaue Iho, Ngāti Whakaue Ake.

### Educational considerations

8. It is proposed that the school will use a STEAM curriculum in an interdisciplinary and applied approach. Education will be taught in a bilingual environment. The proposed application has a strategy for the revival of te Reo Māori for its students. The strategy notes that the history and oral traditions of Ngāti Whakauetanga will be a key focus.
9. The curriculum documentation describes how the principles, values, competencies of NZC align the strengths of kaupapa Māori and STEAM (science, technology, engineering arts and maths) education. The application identifies that the curriculum will be relevant, the learning contextualised by using experts and whānau in the classroom. Students will understand and apply their own narratives and apply local knowledge of their environment.
10. Students' learning will be personalised and 'being Māori' will be embedded. It is intended that tamariki, whānau and staff will contribute to TOA (individualised learning plans) that will state the goal and expected outcomes for each tamaiti. These will be consulted on regularly and adjusted as needed.



11. The curriculum detail submitted does not yet provide sufficient assurance that the students will have access to learning opportunities across the breadth and depth of the NZC at all year levels. We also consider that further work is required to in relation to assessment and the 'progression' framework. These concerns are outlined in more detail in our assessment of the application (Educational considerations section).
12. If you approve the establishment of the proposed school, we will ensure the establishment board of trustees (EBOT) is supported to strengthen its proposed curriculum. The ERO readiness review will then be able to provide the Ministry with the assurance that the areas of concern have been addressed.
13. The character and vision of the proposed school is such that students will get education of a kind that differs significantly from the education they would receive at an ordinary state school. There is demand for this provision and we consider that the character is compatible with the NZC.
14. We consider that the application fits with the context of section 145AAA and the requirements of section 156(4) of the Act. The consultation process required by section 157 has been completed and therefore this application is ready for your consideration.
15. On balance, the applicant's curriculum documentation satisfies relevant sections of the Education Act 1989.
16. The Ministry supports this application.

#### **Consultation on the application**

17. We consulted with 26 schools whose rolls might be affected by the establishment of the proposed school. Sector groups and local iwi groups were also consulted.
18. Consultation responses were mixed, with some schools and groups strongly opposing the application, and a smaller number in support of the application. The major concerns noted were that the Rotorua network already had sufficient provision, and the establishment of further schooling would impact upon this, and that other network applications were unresolved. NZEI Te Riu Roa did not support the application on the basis that there is no evidence of growth which would justify establishing new schools in Rotorua, and that the school's proposed designated character is insufficiently different from that of other state schools. Refer to Annex 7 for the submissions.

#### **Property requirements**

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S9(2)(j) OIA

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### Risks and Mitigations

24. We consider that the risks (and mitigations) of approving this proposal are:

- a. There is a risk that the members of the EBOT might be unable to manage the workload of governing the charter school and establishing the new school. The EBOT can co-opt up to four additional members to assist with the establishment process. To mitigate this the governance facilitator will also assist the EBOT to function as a Board of Trustees during the school's establishment phase.
- b. The EBOT members might find it challenging to delineate between their roles on the current Te Rangihakahaka Board and the EBOT. To manage this, recommended members have been advised that both boards have distinct roles and responsibilities. The governance facilitator will also assist the EBOT to maintain its focus on the work of the establishment of the designated character school.
- c. There is significant surplus capacity within the Rotorua network with population projections suggesting rolls are likely to decrease over time. However, given the rising Māori roll in the Rotorua area and the designated character of the proposed school, the school is likely to offer increased choice for bilingual education within Rotorua. The approval of the school as a Year 1-10 school only will mitigate the impact on the part of the network with the most capacity (secondary).
- d. By approving the school for Year 1-10 only, there may be a risk in how effectively students transition to other secondary schools for Years 11-13, particularly in the first year of transition when they are likely to be studying towards NCEA Level 1. We will work with the school and ERO to support effective transition planning and to ensure good relationships with other secondary schools in the area.
- e.



## Establishment Board of Trustees

25. The EBOT comprises the principal when appointed, and at your discretion, either five people elected by parents of students who will be enrolled at the school, or five people appointed by you. It is important to have an EBOT in place as soon as possible so that the board can prepare the school for opening. We recommend that you appoint the five people nominated by the applicant to become members of the EBOT and sign the attached letters to do so.
26. A governance facilitator will also be appointed to support the EBOT.

## Estimated funding requirements

27. The proposed school would be entitled to the following establishment and operational funding based on a notional roll of 85<sup>1</sup>:

### ***Estimated Operational costs – based on a notional roll of 85***

Item	Estimated amount
Operational funding – annual payment	\$238,578
Staffing – 6.06 FTTEs – annual payment	\$521,633
Annual lease costs	
<b>Estimated Operational Funding per annum:</b>	
Establishment funding – one off payment	\$172,620
Establishment staffing* – cost of teacher salaries (6 months)	\$226,427
Furniture and Equipment funding – one off payment	\$199,570
Transition Funding (cost of paying teaching staff above scale and CEO)	\$133,000
<b>Establishment Costs:</b>	<b>\$731,617</b>

S9(2)(j) OIA

*Note: Figures exclude GST.*

*Lease costs are estimates based on market value/regional rates/modelling*

*\* Prior to the school opening, the establishment board can appoint a principal and senior teachers.*

## Ministry recommendation

28. We consider that the requirements of sections 146 and 156 and 156AA of the Act have been met and recommend that Te Rangihakahaka Centre for Science and Technology be established as a designated character state school. The school will have a character that is different to that of ordinary state schools, there are parents who want that character and it is desirable for students to access such character. Through this different character the students will get an education of a kind that differs significantly from the education they would get at an ordinary state school.

<sup>1</sup> The notional roll is an estimated future roll used to provide a minimum level of funding and staffing entitlements during the establishment period of a new school.

29. If you decide to establish the school as a designated character school, you are asked to sign the attached letter to the applicant, Gazette notices, letters to the EBOT appointees and the local MPs. We will meet with the applicant and provide them with the attached letter and a copy of this report. A draft media statement covering all applications will be provided at the end of this process.
30. You have the absolute discretion under section 156(3) to decline this application and not establish this designated character school.
31. If you decide to decline this proposal, you are asked to sign the decline letters and we will provide a new media statement that reflects that decision.

### Recommended Actions

The Ministry of Education recommends you:

- a. **approve** the establishment of Te Rangihakahaka Centre for Science and Technology as a Year 1-10 co-educational designated character school under sections 146, 156 and 156AA of the Education Act 1989;

**Approve / Decline**

- b. **note** that as part of establishing Te Rangihakahaka Centre for Science and Technology, the Secretary for Education will consider setting a maximum roll of 75 students, and that it will initially be funded on a notional roll of 85;

**Noted**

- c. **note** that it is intended that the school will be established on a leased site.

**Noted**

9(2)(f)(iv) OIA

d.

e.

**Noted**

S9(2)(j) OIA

- f. **agree** that this Education Report is proactively released once final decisions have been made on all applications from the sponsors of charter schools. When the report is released, any information which may need to be withheld will be done so in line with the provisions of the Official Information Act 1982;

**Agree / Disagree**

If you **approve** the proposal, the Ministry of Education recommends you:

- g. **sign** the attached establishment Gazette notice, letters to the applicant and the local MPs. You are asked to return the letter to the applicant to the Ministry to be delivered by Ministry staff;

- h. **appoint** the five people named in the report to form the Establishment Board of Trustees, under section 98(1)(a) of the Education Act 1989;

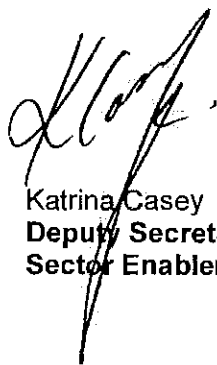
Agree / Disagree

- i. **sign** the attached letters of appointment and return them to the Ministry to be delivered by Ministry staff;
- j. **note** that a draft media release will be developed that will cover all applications from former charter schools; and

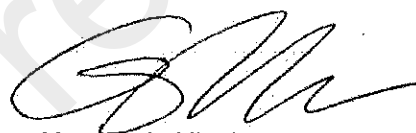
**Noted**

If you **decline** the proposal, the Ministry of Education recommends that you:

- k. **sign** the attached letters to the applicant and the local MPs. You are asked to return the letter to the applicant to the Ministry to be delivered by Ministry staff.



Katrina Casey  
Deputy Secretary  
Sector Enablement and Support



Hon Chris Hipkins  
Minister of Education

14/7/18.

## Proposal for Establishment as a Designated Character School

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### The proposed school

1. We have received an application from Te Taumata o Ngāti Whakaue Iho Ake Trust for the establishment of a designated character school, to be known as Te Rangihakahaka Centre for Science and Technology. The application is endorsed by Te Rangihakahaka Company Limited (the current Sponsor of the charter school Te Rangihakahaka Centre for Science and Technology). The applicant is the sole shareholder of Te Rangihakahaka Company Limited.
2. The proposal is that the school offers Year 1-13 education in a co-educational setting in Rotorua. The proposal is attached as Annex 6.
3. Section 145AAA of the Act states that the purpose of Part 12 of the Act (which is focused on changes to the schooling network, including the establishment of schools) is to:
  - a. enable the provision of a schooling network that assists parents to meet their obligations to enrol their children at school; and
  - b. assist the efficient and effective use of the government's investment in schooling; and
  - c. recognise the role of diversity in the provision of schooling, including the provision of Māori medium education.
4. Under sections 156 and 156AA of the Education Act 1989 (the Act), you have the ability, when establishing a state school under section 146 of the Act, to designate the school as a designated character school. This ability is in your absolute discretion. To establish a new designated character school you must be satisfied that it meets the requirements in section 156(4) of the Act. The three key requirements are:
  - a. the designated character school will have a character that is in some specific way or ways different from the character of ordinary state schools
  - b. it is desirable for students (whose parents want them to do so) to get such an education
  - c. students at the school will get an education of a kind that differs significantly from the education they would get at an ordinary state school.
5. In 2001, the Cabinet Education and Health Committee issued guidelines for the establishment of state integrated and designated character schools (EHC Min (01) 7/5 refers). The purpose of these was to make Government intentions in establishing these types of schools more transparent to applicants. The guidelines cover expected school size, and impact on the schooling network. However, the Minister may still establish a school if it does not meet these guidelines. We have assessed the applicant's proposal against these guidelines, attached in Annex 4.



## Designated character

6. We consider that the school's proposed designated character is in specific ways different from the character of ordinary state schools, through applying mātauranga-a-iwi unique to Ngāti Whakaue in a bilingual environment, focused on learning through Science, Technology, Engineering, Arts and Mathematics.
7. The designated character of the proposed school, Te Rangihakahaka Centre for Science and Technology, has been described by the applicant as:

*The centre provides a kaupapa Māori learning environment that is unique to Ngāti Whakaue and supports students to learn through a programme of Science, Technology, Engineering, Arts and Mathematics.*

*The New Zealand Curriculum is delivered through localised and contextualised content by way of an interdisciplinary and applied approach whilst infusing Ngāti Whakaue identity, language and culture in everything that is said, done, seen, heard and felt.*

*Mātauranga-a-Iwi and Iwi values are expressed and reflected in the delivery of the programme.*

*Te Rangihakahaka is committed to providing and facilitating 'new learning' which is relevant and engaging for all tamariki and whānau whilst restoring Māori "ways of being" in order to uplift, nurture and empower whānau, hapū, iwi.*

*The centre recognises and supports the revival and retention of Te Reo Māori me onā tikanga, through future generations.*

8. The proposed school would contribute to the Ngāti Whakaue Education Strategy – Ngāti Whakaue Iho, Ngāti Whakaue Ake.
9. The values underpinning the Ngāti Whakaue Education Strategy include: manaakitanga, whānaungatanga, pono, ahi kaa. The proposed school is one aspect of a strategy to support and empower our Māori learners through the learning pathway. The strategy has three priorities:
  - *Rautaki Reo: strengthening capability in te reo and tikanga*
  - *Rautaki Akoranga Mokopuna: ensuring whānau have access to high quality, culturally inclusive, whānau focussed early childhood education*
  - *Rautaki Rangatahi: lifting achievement for all tamariki and rangatahi in our rohe.*

## Educational considerations

10. Education will be taught in a bi-lingual environment. The proposed application has a strategy for the revival of te reo Māori for its students. It notes that Te Rangihakahaka's "duty is to, first and foremost, instil the desire in to all of those who have an affiliation to the school, secondly, to teach the language, and, of course, speak the language in order for it to survive". The strategy notes that the history and oral traditions of Ngāti Whakaue tangata will be a key focus of the revival of te reo Māori.

11. ERO has established evidence based indicators that focus on the things that matter most in improving student outcomes in schools. We have used ERO's indicators from two domains to guide our review of the curriculum of the proposed new school:
  - a. Domain 3: Educationally powerful connections and relationships
  - b. Domain 4: Responsive curriculum, effective teaching and opportunity to learn.
12. The curriculum documentation describes how the principles, values, competencies of the NZC align the strengths of kaupapa Māori and STEAM (science, technology, engineering, arts and maths) education. The proposal identifies that the curriculum will be relevant, the learning contextualised by using experts and whānau in the classroom. Students will understand and apply their own narratives and apply local knowledge of their environment.
13. The local curriculum will be developed by staff, advisory, experts, tamariki and whānau. Close partnerships between the proposed school and whānau, iwi and local businesses is an important component. A sample curriculum topic overview shows how kaupapa Māori, the use of Te Reo through instruction and conversation and values will be integrated with discipline based content.
14. A feature of the proposed timetable is an alternative programme on Wednesdays. It is proposed that students undertake community engagement to provide a service for a group in the community in the mornings followed by time to explore passions, skills or hobbies within an inquiry format in the afternoons.
15. Students' learning will be personalised and 'being Māori' will be embedded. It is intended that tamariki, whānau and staff will contribute to TOA (individualised learning plans) that will state the goal and expected outcomes for each tamaiti. These will be consulted on regularly and adjusted as needed.
16. It is proposed that formal learning will be timetabled from 10am to 3.45pm every day. Extra-curricular activities such as Reo classes, music lessons or sports training will be available for tamaiti and /or whānau.
17. The curriculum detail provided does not yet provide sufficient assurance that the students will have access to learning opportunities across the breadth and depth of the NZC at all year levels. We suggest that the school undertakes a curriculum mapping exercise to ensure that students have sufficient opportunities to learn, progress and achieve across the all learning areas of the curriculum. We also suggest that the school revisits the 'progression' framework that moves in two-year steps from exploration to discovery and then to design so that it encompasses more holistic, spirals of learning where all stages are revisited depending on the complexity of the inquiries students are undertaking.
18. The proposed school intends to use achievement objectives and key competencies of the NZC, the Learning Progression Framework for reading, writing and maths and their own student achievement goals in eight areas of successful intelligence for Māori (in development) to assess student achievement. The proposer has identified it has more work to do to develop a robust plan to assess the needs of students within the unique programme and has identified a provider it intends to work with. It's important that this aspect is strengthened to ensure assessment for learning approaches are used in ways that build students' assessment and learning to learn capabilities.

19. The applicant is aware of the Education Review Office (ERO) requirements which are for the new school to provide a quality curriculum and have a sound management system, intended to ensure quality educational outcomes for students.
20. If you approve the establishment of the proposed school, an EBOT will be appointed and work with the governance facilitator to ensure the school is ready to open. We will engage ERO to undertake a readiness review for the school to provide us with the assurance that areas of concern have been addressed.
21. On balance, the applicant's curriculum documentation satisfies relevant sections of the Education Act 1989.
22. We consider that this application meets the requirements for a designated character school under section 156 of the Act.

### Projected rolls

23. We consider that the roll projections demonstrate a parental desire for this model of schooling and that the proposed designated character would provide choice for families who wish to access education of this type.
24. The March 2018 roll at the charter school Te Rangihakahaka Centre for Science and Technology (which provides a similar type of education) was 75 students, within a maximum roll of 200.
25. The applicant has provided the following roll projections for the proposed school. These projections are based on the assumption that each year group will follow through into the next school year and demand from the wider community will grow.

	2019	2020	2021
Projected roll	120	200	250

26. In providing these roll projections, the applicant has noted that demand over the first term at the charter school was strong, and that siblings and whānau of enrolled students will wish to attend.
27. The applicant has also supplied the names of students who wish to attend the proposed school, in addition to those currently enrolled for the 2018 at the charter school. A list of 87 names has been supplied with the majority of the prospective students enrolled at other primary or intermediate schools within the Rotorua network.
28. It is usual practice to fund a new school on a notional roll in order to give the board some certainty of funding in its establishment period. We have set a conservative notional roll of 85.

S9(2)(j) OIA

application be approved we will discuss the notional roll with the EBOT. If the school is relocated, or an additional site is provided or it is expanded to increase its capacity then the board can apply for a higher maximum roll.

29. We are proposing an initial maximum roll of 75.

S9(2)(j) OIA



## Impact on the schooling network

30. Rotorua is an area of projected school-age population decline. Medium and long-term population projections for primary-age students show a decrease in demand over the next 10 to 20 years, and secondary school rolls have begun to decline. There are currently surpluses in capacity at all year levels, but this is particularly acute in the secondary network. In 2017 Rotorua had a surplus of 1185 spaces for secondary students.
31. It is likely that the proposed school will enrol students that are currently attending the charter school and will attract students that wish to seek a mātauranga Māori, bilingual/immersion education focused on Science, Technology, Engineering, Arts and Mathematics (STEAM).
32. This means that Rotorua's demographics do not suggest a need for further schooling capacity in the medium term. Recent roll growth in primary rolls has taken up spare capacity in some larger, popular schools, but the network of schools is expected to have enough capacity to accommodate population demands out to 2028.

## Māori medium provision

33. Rotorua and its surrounds have a high proportion of Māori students, with 55% of students in schools in July 2017 identifying as Māori. In the Rotorua district there are 16 schools that offer Māori immersion education (Māori language immersion Level 1 or 2). Some of these settings also deliver bilingual education. Two Māori medium schools are composite settings that enrol all year levels.

## Previous network actions

34. The Ministry has given advice on a number of similar or otherwise relevant applications in the Rotorua region since 2009:
  - a. After registering as a private school in 2010, the managers of Chapman College applied to integrate into the state system in 2012 and 2013. In 2015, the Ministry did not support a further proposal for Chapman College to become a satellite of Bethlehem College (a co-educational state integrated Year 1-13 school based in Tauranga). These applications were all declined on the basis that there was significant surplus capacity in the Rotorua network of state schools. However in 2017 the Ministry supported Chapman College becoming a satellite of Bethlehem College because it would add to parental choice; this was approved by the then Minister.
  - b. The Board of Tai Wānanga applied to establish a further campus of the school in Rotorua in 2014. This was also declined due to significant surplus capacity in the Rotorua network of state schools.
  - c. John Paul College, a state integrated Catholic Year 7-15 school in Rotorua, that currently enrolls 1100 students, has had three applications for a maximum roll increases declined because there is surplus capacity in Rotorua and demographics did not support additional provision.

- d. Te Wharekura o Ngāti Rongomai is a satellite campus of Te Wharekura o Te Kaokaoroa o Patetere and applied for establishment as a designated character school in 2009. This application has not progressed because previous Budgets prioritised funding for establishing new schools to areas of population growth. Funding for Te Wharekura o Ngāti Rongomai has been included in Budget 18, and announcements will be made in due course. During the consultation process for the Te Rangihakahaka application, several kura and Ngā Kura a Iwi o Aotearoa noted that funding for the Ngāti Rongomai application should take priority for consideration ahead of Te Rangihakahaka.
- e. Te Kura Kaupapa Māori o Hurungaterangi was established as a primary school in 2006. It applied for a change of class to become a Year 1-13 composite school in 2014. This application has been delayed and is now pending property funding for it to be completed. This is now likely to be considered as part of Budget 19. Should funding for Te Kura Kaupapa Māori o Hurungaterangi be approved the change of class application will be progressed.

35. During the consultation (discussed below in more detail) a number of responses opposed establishing Te Rangihakahaka due to the perceived impact on the network, particularly if a maximum roll of 300 was approved, as well as concern that unresolved applications should be prioritised ahead of the Te Rangihakahaka application.

#### Maximum roll and year levels

36. Under section 156(8) of the Act, the Secretary for Education must set a maximum roll for a designated character school, and the school's Board of Trustees must ensure the number of students enrolled at the school does not exceed the maximum roll.

37. The applicant has requested a maximum roll of 300 students. The roll projections for the proposed school suggest significant capacity for growth.

S9(2)(j) OIA

38. Given this, we recommend an initial maximum roll of 75 students and a notional roll of 85.

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If the school subsequently expands or changes its premises to accommodate more students, it can apply to expand its roll.

39. We also recommend that the school be established as a Year 1-10 school, rather than a Year 1-13 school. This takes into account the current surplus of secondary school spaces in the Rotorua network, demographic projections of declining rolls, and the likely impact on the current school network. A Year 1-10 school would align with the current roll and year levels of the charter school Te Rangihakahaka.

40. As a Year 1-10 school the applicant will be able to provide further choice for bilingual education within Rotorua and students will be able to transition into the secondary network. The Ministry can work with the applicant regarding its long-term plans to provide provision for Year 11-13 students moving forward.

#### Proposed location and Property

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#### School Transport

48. The Ministry currently provides around \$2,700 towards transport assistance for services to students attending the Te Rangihakahaka charter school. If most of those students were to enrol at the proposed designated character school, this would not change the student eligibility for school transport assistance and associated funding, so the cost to the Crown would be approximately the same.

#### Financial Implications (operations)

49. If you decide to establish the proposed school, the following table shows the estimated costs to the Crown, based on the notional roll for the school as shown. It is usual practice to fund a new school on a notional roll in order to give the EBOT some certainty of funding in its establishment period.



50. The proposed school would be entitled to an establishment grant of \$731,617 based on the notional roll of 85. If you decide to establish the proposed school, the estimated annual operational costs to the Crown (staffing and operational funding for a roll of 85) [REDACTED] S9(2)(j) OIA

### Summary of costs

51. A summary of estimated costs is provided in the following table.

#### ***Estimated Operational costs – based on a notional roll of 85***

Item	Estimated amount
Operational funding – annual payment	\$238,578
Staffing – 6.06 FTTEs – annual payment	\$521,633
Annual lease costs	[REDACTED]
<b>Estimated Operational Funding per annum:</b>	[REDACTED] S9(2)(j) OIA
Establishment funding – one off payment	\$172,620
Establishment staffing* – cost of teacher salaries (6 months)	\$226,427
Furniture and Equipment funding – one off payment	\$199,570
Transition Funding (cost of paying teaching staff above scale and CEO)	\$133,000
<b>Establishment Costs:</b>	<b>\$731,617</b>

*Note: Figures exclude GST.*

*Lease costs are estimates based on market value/regional rates/modelling*

*\* Prior to the school opening, the establishment board can appoint a principal and senior teachers.*

### Governance

52. If you agree to establish the proposed school, it will initially be governed by an EBOT. It is important to have an EBOT in place as soon as possible after establishment so that it can prepare the school for opening.
53. Under the Act, you can form the EBOT either by appointing five members or by asking the parents of students likely to be enrolled at the school in the year it opens to elect five members. We recommend that you appoint five members to the EBOT.

54. The Ministry recommends that you appoint the following five individuals to the EBOT, all of whom were nominated by the applicant:
- a. Ngahuia te Awekotuku
  - b. Marita Ranclaud
  - c. Maria Tibble
  - d. Rawiri Bhana
  - e. Jodie Wharekura.
55. Information about each of the recommended EBOT members is attached as Annex 8. All of the proposed nominees are members of the current Te Rangihakahaka Company Limited Board, which provides governance support to the charter school. We consider that with support, these members have the ability to get the school ready to open by Term 1, 2019.
56. The members have been advised that should the school be established, and should they be appointed to the EBOT, their role on the Company Board and on the EBOT are to be separate, with the two entities having separate roles, responsibilities, and meetings.
57. There is a risk that the trustees may struggle to manage the workload of simultaneously running the current charter school and establishing the new school in 2018. To manage this the EBOT can co-opt up to four additional members to support them in their functions.
58. In addition, to support the EBOT to have the school open by 2019, and to assist with the risk identified above, we will appoint a governance facilitator. One of the governance facilitator's main roles will be to assist the EBOT in understanding its roles and responsibilities in governing a state school.

#### **Alternative constitution**

59. The applicant has requested that on establishment, an alternative constitution be put in place for the school. We have accommodated this request by specifying in the establishment Gazette Notice that the school will have an alternative constitution for its substantive board once it transitions out of its EBOT phase.
60. When the school is ready to transition out of the establishment phase, we will work with the EBOT to develop an alternative constitution under section 98A of the Act. This will be submitted to you for consideration and approval.

#### **Employment relations**

61. An essential initial task for the EBOT would be the appointment of the principal. It is anticipated that the principal would take up his/her position as soon as possible after appointment so that they may participate in the planning the framework and processes for the state integrated school. The principal would become part of the EBOT.

62. The EBOT will appoint staff to positions at the proposed school. The EBOT must ensure that appointments are made in compliance with the State Sector Act 1988 (including appointment on merit, equal employment opportunities and being a good employer) and the terms and conditions of appointments within the education collective agreements that are applicable to the proposed school.
63. The governance facilitator and New Zealand School Trustees Association (NZSTA) will be able to assist the EBOT in this matter.

## Consultation

64. Section 157 of the Act requires you to consult the Boards of Trustees of all state schools whose rolls might be affected before deciding whether to establish a new designated character school.
65. We have undertaken this consultation on your behalf and consulted with 26 schools across the primary, intermediate and secondary sectors in Rotorua and its surrounds. Responses were received from 14 schools.
66. Consultation responses were mixed, with some schools and groups strongly opposing the application, and a smaller number in support of the application. The major concerns noted were that the Rotorua network has sufficient provision and the establishment of further schooling would impact upon this, and that other network applications were unresolved. There were also several respondents who were unhappy that this school might be established before Te Wharekura o Ngāti Rongomai which has been seeking establishment as a designated character school. This school currently operates as a satellite unit of Te Wharekura o Te Kaokaoroa o Pātetere. A summary of all responses is provided in Annex 7.
67. We also consulted with sector and local iwi groups, from which 4 further responses were received. Ngā Kura a Iwi o Aotearoa, Ngāti Pikiao Iwi Trust and Ngāti Tarawhai Iwi Trust emphasised that they believed Te Wharekura o Ngāti Rongomai's application to become a designated character school should be progressed before (or alongside) progressing the Te Rangihakahaka application. NZEI Te Riu Roa did not support the application on the basis that there is no evidence of growth which would justify establishing new schools in Rotorua, and that the school's proposed designated character is insufficiently different from that of other state schools.

## Applicant response

68. We provided this feedback to the applicant and they responded. Their response included several letters of support from parents of their current students. The full response can be seen in Annex 7.
69. The applicant has noted that there may be capacity in the Rotorua network, but that there are still large numbers of students, particularly Māori students, who are not currently in school, or who leave school with limited or no qualifications.
70. They also note that their current charter school students come from across the network, so do not affect the rolls of one particular school, and they anticipate this continuing should they be established as a designated character school.



## Ministry response

71. We consider that should this school be established the impact on the network will be limited due to the relatively restrictive maximum roll, and through establishment of Year 1-10 provision, rather than Year 1-13.
72. While the school age population in Rotorua is projected to continue to decline across primary and secondary levels, there is currently growth in the number of Māori students in the catchment. If approved, the proposed school would provide additional choice for students seeking bilingual education.
73. We note that Te Wharekura o Ngāti Rongomai has been allocated funding through Budget 18, and an establishment report will be provided in due course.

## Risks and Mitigations

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74. In analysing the application the following risks have been identified:
  - a. The proposed EBOT is composed of members of the current charter school board, and they might not transition to operate as a Board of Trustees. These members have been recommended for appointment due to the skill set that they offer and their knowledge of the designated character. To mitigate risk, they have been advised that their activities on behalf of both entities need to remain separate and we have stressed that the charter school board and the EBOT have different roles and responsibilities. It is considered that the appointment of a governance facilitator will also assist with managing this risk.
  - b. The proposed EBOT members might not have the capacity to govern the charter school and undertake the work required to have the school ready to open for 2019. There is the potential that trustees may find themselves stretched. The EBOT is able to co-opt up to four other members to support it in its work. The Ministry will recommend to the governance facilitator and the EBOT that they should consider co-opting other trustees.
  - c. There is significant surplus capacity within the Rotorua network. This capacity combined with decreasing population projections do not suggest a significant need for further schooling capacity. This was also raised in consultation through multiple responses. The proposal is for a Year 1–13 school. In considering the proposal against the demographic projections and the impact on the current network of schools, the Ministry recommends that if approved, the school is established a Year 1–10 school. As a Year 1–10 school it will be able to provide further choice for bilingual education within Rotorua and students will be able to transition into the secondary network. Designated character schools offer something different from other state schools and typically appeal to smaller populations. It is considered that the location of the school within a network with a majority of Māori learners (and growing Māori rolls) will provide more educational choice for education in a bilingual setting.

- d. Through not approving a Year 1–13 school, but a Year 1–10 school there is a risk around the ease of transition of students to other secondary schools within the network to complete their secondary education, particularly given that for many students, Year 11 (the first year post-transition) usually involves starting NCEA Level 1. We consider that this potential risk can be mitigated by good relationships with secondary schools within the existing network. We will work with the school regarding this process and ask ERO to provide advice regarding transition planning. It is also noted that in the application for the proposed school, it was noted that *“Te Rangihakahaka is committed to ensuring that our students’ transition is seamless, whether that transition is into our senior levels or any other of our Rotorua High Schools. We see the need for a designated staff member that will work with these students and their whānau.”*

e.

S9(2)(j) OIA

## Conclusion

75. We consider that the requirements of the legislation have been met and recommend that Te Rangihakahaka Centre for Science and Technology be established as a designated character school under sections 146, 156 and 156AA of the Education Act 1989.

## Next Steps

76. You are asked to appoint the EBOT (refer to detail of the candidates in Annex 8 and appointment letters attached as Annex 3).
77. If you approve establishment, a governance facilitator will be appointed to support the EBOT as it works to ready the school to open in 2019.
78. If you approve this application, you are asked to sign the attached letters, *New Zealand Gazette* notices and notice appointing the Establishment Board, and agree to issue a media statement (draft statement attached).
79. If you decide to decline this application the Ministry will:
- a. work with the Sponsor to manage the wrap up of the charter school
  - b. support families / students to enrol in other schools and to transition to their next school
  - c. work with the schools who receive students from the charter school so that they are well placed to respond to their needs.

## Proactive Release of this Report

80. It is intended that this Education Report be proactively released once final decisions have been made on all applications from the sponsors of charter schools. Any information that might need to be withheld will be done so in line with the provisions of the Official Information Act 1982.

## Annexes

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Annex 1A:	Letters to Applicant and Local MPs (approval)
Annex 1B:	Letters to Applicant and Local MPs (decline)
Annex 2:	Gazette Notice
Annex 3	Letters to the Establishment Board of Trustees
Annex 4:	Ministry's Assessment of the Application
Annex 5:	Map
Annex 6:	Copy of the Application
Annex 7:	Consultation Feedback
Annex 8:	Establishment Board of Trustees