Education Report: Request to Dissolve the Mangakahia Area School (18) Board and Direct the Secretary to Appoint a Commissioner

To: Hon Chris Hipkins, Minister of Education

Date: 18 November 2020

Priority: High

Security Level: In Confidence

METIS No: 1244868

Drafter: Kelly McMurtrie – National Office

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Messaging seen by Communications team: No

Round Robin: No

Purpose of Report

1. The purpose of this report is for you to:

   • Note that under section 181(1) of the Education and Training Act 2020 (the Act), you have the power to dissolve the board of a school by notice in the New Zealand Gazette; and that you have not delegated this power in instances where the board has not requested this level of intervention;

   • Note that all members of the Mangakahia Area School (18) Board (the Board) who are eligible to reside as the Board Chair have resigned, except for one, and the Ministry has been unable to contact this member;

   • Agree to dissolve the Board, under section 181(1) of the Act, and direct the Secretary for Education to appoint a commissioner to replace the Board under section 181(2) of the Act because of the risks to the operation of the school;

   • Sign the attached New Zealand Gazette notice;

   • Agree this Education Report is proactively released as part of the next publication.

Executive Summary

2. Mangakahia Area School’s Board recently had all parent board members resign, except for one. The Ministry of Education’s Tai Tokerau office has made several attempts to contact the remaining Board member, however all attempts have been unsuccessful.
Recommended Actions

3. The Ministry of Education recommends you:

a. agree to dissolve Mangakahia Area School (18) Board under section 181(1) of the Education and Training Act 2020 (the Act), and direct the Secretary for Education to appoint a commissioner to replace the Board under section 181(2) of the Act because of the risks to the operation of the school;

b. (if you agree) sign the attached New Zealand Gazette notice; and

c. agree this Education Report is proactively released as part of the next publication;

Katrina Casey
Deputy Secretary
Sector Enablement and Support
28/11/2020

Hon Chris Hipkins
Minister of Education

28/11/2020

Why did the BOT members all resign so suddenly? CH
Background

1. Mangakahia Area School is a decile three, state, composite (year 1-15) school located 27 km north west of Whangarei. The School currently has a roll of 77 students, and this is predicted to increase to 92 in 2021.

2. In late October 2020, four of the five parent representatives on the Board resigned, leaving one parent representative, staff representative, student representative and the Principal.

3. The remaining parent representative is the only current Board member eligible to preside as the Board Chair. The Ministry of Education’s Tai Tokerau office have made several attempts to contact the member via phone and email, however all attempts have been unsuccessful.

4. Therefore, there is currently no member of the Board that can chair the board meeting required to either request a statutory intervention or start an election to replace the parent representatives who resigned. This means a Commissioner is now required.

5. If the Minister of Education has reasonable grounds to believe that there is risk to the operation of a school, or to the welfare or educational performance of its students then the Minister may apply an intervention. When applying an intervention, the Minister must apply whichever intervention he considers is reasonable to deal with the risk without intervening more than necessary in the affairs of the school.

6. As there is currently no legally functioning board, lower level interventions are not able to be considered.

Consultation

7. On 30 October 2020, the Ministry met with the Principal and Deputy Principal to discuss the current situation with the Board. The Principal was supportive of the Ministry’s recommendation to seek approval to dissolve the Board and appoint a Commissioner and emphasised the need for this to happen quickly. Having no functioning Board could cause problems for the school, with implications for end-of-year human resources, and financial processes.

Ministry Comment

8. As we are unable to contact the only Board member eligible to preside as the Board Chair, it is not possible to hold a Board meeting to start the process of electing new Board members or to request intervention support from the Ministry. The only remaining option available is to dissolve the Board and appoint a Commissioner.

9. If you agree to dissolve the Board under 181(1) of the Act and direct the appointment of a Commissioner to replace the Board, the appointed Commissioner will scope the issues in greater depth and develop a scoping report within the first four to six weeks of appointment.
10. The Ministry will finalise the set of expected outcomes for this intervention based on the facts collated in the scoping report, and then the Commissioner will develop a plan to achieve these outcomes. The Commissioner will continue to report monthly to the Ministry on progress towards achieving these outcomes.

11. The Secretary for Education (or delegate) will review the intervention within 12 months of the intervention taking effect. When the Secretary (or delegate) considers that the Commissioner is no longer required, they will ask the Commissioner to prepare for a new Board to take office.

Financial Implications

12. Mangakahia Area School operated at a surplus of $154,282 for the 2019 financial year and showed positive working capital position of $1,189,351 or $12,789 per learner which is well above the average ($3,595 per learner) of other comparable small composite schools. The school has operated at a surplus for the last 5 consecutive years which has allowed them to build strong working capital reserves.

13. As the school is in a strong financial position it is likely that it will be able to pay for the costs associated with the intervention. The Ministry will continue to monitor the intervention to ensure it does not have a negative financial impact on the school.

Risks

14. The Ministry has not identified any risks associated with dissolving the Board and appointing a Commissioner.

Proactive Release

15. It is intended that this Education Report is proactively released as per your expectation that information be released as soon as possible. Any information which may need to be withheld will be done so in line with the provisions of the Official Information Act 1982.
Annex

1. Annex 1  New Zealand Gazette Notice - Commissioner
Notice for New Zealand Gazette

Notice of Dissolution of the Mangakahia Area School (18) Board and Direction to Appoint a Commissioner

Under section 131(1) of the Education and Training Act 2020 I hereby dissolve the Mangakahia Area School (18) Board and direct the Secretary for Education or delegate to appoint a commissioner to replace that Board.

This notice takes effect on date of publication

Dated at Wellington this 28th day of November 2020.

HON CHRIS HIPKINS, Minister of Education