

Education report: **Proposal from the Villa Education Trust for the establishment of a Year 1-13 designated character school in Auckland**

To:	Hon Jan Tinetti, Minister of Education		
Date:	29 March 2023	Priority:	Medium
Security Level:	In Confidence	METIS No:	1302942
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Messaging seen by Communications team:	No	Round Robin:	No

Purpose of report

The purpose of this report is to provide you with information on a proposal by the Villa Education Trust (VET) that you establish a Year 1-13 designated character state school in Auckland, to be called the Mt Hobson Academy.

We recommend that this application is declined and not progressed to consultation.

Summary

- On 22 July 2022 we received an application from Villa Education Trust (VET) seeking that you establish a Year 1-13, state, designated character school in Auckland. VET is also applying to be the body named as responsible for the designated character of the school.
- VET have indicated that, should the designated character school be established, they intend to close the Year 1-13 private school they currently operate in Auckland, which is also called Mt Hobson Academy.
- The application proposes that, if established, the Year 1-13 designated character school would deliver education through three methods: onsite education, teacher led online provision, and 'parent led' online provision.
- It is proposed that onsite education would be provided at the current leased location of the private school for a maximum of 30 senior students to attend some classes or study. VET proposes most students would attend online, from across New Zealand.

5. This is the current model that Mt Hobson Academy is operating as a private school. In October 2022, approximately 100 students were accessing online education at the school from throughout New Zealand.
6. We do not recommend that the application is progressed, as the delivery model proposed is not possible in the state system. Currently, Te Aho o Te Kura Pounamu o Aotearoa (Te Kura), formerly The Correspondence School, is the only state school which has been designated as a distance school in the schooling system. It has its own bespoke policy processes and funding framework to provide education for students who, for various reasons (eg, distance, health), cannot access education at another state school. These policies and funding cannot be applied another school.
7. 'Parent led' provision is not something a registered school may lawfully offer (in the state or private system). Parents may home school their children if they get an exemption from enrolment at school from the Ministry, but if enrolled at a registered school then the school, and not parents, are responsible for education.
8. The proposal for some students to be onsite and for most students to only be enrolled for online tuition, is not possible at a state school. This proposed school would essentially be operating partially as a distance school. While state schools may offer online tuition to their students, they may not operate as full-time distance schools for some or all of their students.
9. Currently, Te Aho o Te Kura Pounamu o Aotearoa (Te Kura) is the only state school which has been designated as a distance school in the schooling system. Te Kura has been operational since 1922. The existing framework of Te Kura, as our only current distance school, would not be appropriate to start up other schools providing full time distance learning due to Te Kura operating under a set of bespoke policy settings.
10. We have met with VET regarding the current work that we are doing on distance hybrid learning and have informed them that the application that they have submitted is not possible under the current legislation. They requested that the application was still progressed as evidence of demand for virtual schooling and have asked to be considered as part of the work programme going forward. We will continue to engage with them on this work.
11. We recommend that you decline to progress this application for a new school to deliver education through the three methods of onsite education, teacher led online provision, and 'parent led' online provision, as the proposal is not possible within the state system under the current legislation.

Recommended actions

The Ministry of Education recommends you:

- a) **note** that we received an application from Villa Education Trust seeking that you establish a state designated character school in Auckland, with most students attending online only, in both 'teacher led' and 'parent led' scenarios;
- b) **note** a designated character school may not operate partly as a distance school and under section 196 of the Education and Training Act 2020 the Minister must have regard to the education of people unable conveniently to receive tuition from a suitable State school that is not a distance school;
- c) **note** that we already have Te Aho o Te Kura Pounamu o Aotearoa (Te Kura), formerly The Correspondence School, is the only state school which has been designated as a distance school in the schooling system. It has its own bespoke policy processes and funding framework which cannot be transferred to another school; and
- d) **decline** to progress this application.

☒ Agree ☐ Disagree

If you decline to progress the proposal, we ask that you:

- e) **sign** the letter to the applicant (Annex 2).

You are also asked to:

- f) **agree** that this education report be proactively released. Any information that might need to be withheld will be done so in line with the provisions of the Official Information Act 1982.

☒ Proactively release ☐ Not release



Isabel Evans
Hautū | Deputy Secretary
Te Mahau | Te Tai Raro

29/03/2023



Hon Jan Tinetti
Minister of Education

02/04/2023

Background

1. In July 2022, we received an application from Villa Education Trust (VET) asking that you establish a Year 1-13 designated character school to be known as Mt Hobson Academy.
2. VET currently operate a private school, also known as Mt Hobson Academy. This is a fully registered, Year 1–13, composite, private school in Auckland. Should you establish the new designated character school, VET would close the private school.
3. The application proposes that, if established, the Year 1–13 school would deliver education through three methods: onsite education, teacher led online provision, and 'parent led' online provision.
4. Minister Hipkins gazetted VET under section 205(b)(ii) of the Education and Training Act 2020 (the Act) as the body that has responsibility for the designated character of two other designated character schools in Auckland, Middle School West Auckland and South Auckland Middle School.
5. VET have had two previous applications seeking your establishment of a designated character school declined in 2020 and 2021. These applications were declined due to the small level of demand, the limited additional capacity that the proposal would add to the schooling network, and the high costs associated with the application – particularly around land purchase and teaching space accommodation in the applicant's preferred locations, and the higher priority of finding land for a state school within the preferred locations. We consider that these issues still apply to the current application
6. In recent months, there have been several enquiries from private entities wishing to provide education through online learning. We have previously provided the then Minister of Education, Prime Minister Hipkins with advice on a work programme for blended and distance learning [METIS 1274125 refers]. On 22 December 2021, Minister Hipkins agreed to a work programme for blended and distance education to explore options for increasing collaborative learning opportunities for schools and building the foundations for blended education.
7. As part of this advice, we recommended that there should be no further expansion of full-time distance provision over the longer term. For those students who do require full-time distance education, the focus should be on improving the quality of that provision by Te Kura. These students generally need higher levels of pastoral care and connection than an online option may provide.
8. We are currently working on the medium-term direction for hybrid and distance learning. This work focuses on what the future of hybrid and networked learning could look like, rather than on an expansion of full-time distance learning options.

Application for establishment of a designated character school

Delivery methods

9. The proposal from VET is that the designated character school is for Year 1-13 students and that education would be delivered through three methods:
 - a. onsite education
 - b. teacher led online provision
 - c. parent led online provision

10. It is envisioned by VET, that most students would be taught online via the “Mt Hobson Academy Connected Online Academy”.
11. The private school, Mt Hobson Academy is currently delivering the model of education outlined in their application and has provided evidence of the engagement of students through parent and student voices (Annex 1).

Onsite

12. VET proposes that onsite education would be provided at the current location of the private school for a maximum of 30 senior (Year 11-13) students, who would attend some classes there or use it for study.

Online

13. VET proposes that online learning would be delivered for enrolled students through two models, teacher led or ‘parent led’. VET claims that online learning presents many benefits, *including increased flexibility and potential for better accessibility and individualisation, resulting in increased attendance, increased engagement, increased sense of belonging and overall wellbeing, as well as academic excellence.*
14. There would be three areas of the online school, Year 1-6, Year 7-10 and Year 11-13. It is proposed that there would be an Academic Manager who would oversee the pastoral and academic progress of all students.
15. In summary, the proposal states that the Mt Hobson Academy Connected Teacher Led provision would provide:
 - for students in Years 1–6: a homeroom/class teacher across all curriculum learning areas with individualised programs. There would be appropriate breaks to provide students opportunities to balance screen and non-screen time.
 - *an academic morning for students in Years 7–10 with four one-hour teaching blocks and over three of the blocks, over a week, students will be taught, in real time, English, Maths, Science, Social Studies, and Technology. The afternoon session will be activity based around Arts, Music, Languages, Movement, Community Learning and Community Service.*
 - Students in Years 11-13 would have the opportunity to work through a National Certificate of Educational Achievement (NCEA) Level 1-3 programme with a variety of online teachers. The new school would need to apply for NZQA approval in order to provide this.

Online – parent led

16. VET proposes that for those attending the Mt Hobson Academy Connected Parent Led, Year 1-10 students and their parents would receive:
 - comprehensive project documents
 - subject unit plans
 - a weekly group meet with one or more of the staff employed by the school
 - a high-quality information and activity portal
 - access to Project Czars for students to seek support
 - ongoing advice
 - the opportunities for group meetups and camps.

17. VET notes that since COVID-19, there has been an increase in families applying for home school status *and providing an online school in this way ensures the educational outcomes and opportunities meet all standards of the NZ curriculum and that students are not disadvantaged.*

Designated character

18. The application outlines the following principles which would form the school's designated character:
- Use of a project based fully integrated curriculum in order to develop exceptional skills and knowledge sets.
 - Differentiated day structure with class size a maximum of 15 students.
 - Values and spiritual education to develop the whole person.
 - Growth mindset - to enable learners the opportunity to develop exceptional skill sets.
 - An interactive community involvement focus.
 - High quality professional interventions for children with identified needs.
 - An online school across New Zealand that provides for students who want an alternative learning structure to traditional in person schools.
19. Other than the online component, the proposed designated character is the same as the existing designated character schools, South Auckland Middle School, and Middle School West Auckland, which provide education for Year 7–10 students. This has previously been regarded as meeting the statutory requirements for being of a different character from ordinary state schools by Minister Hipkins [METIS 1130697 and 1145229 refer].
20. VET are also applying to be named, under section 205(4) of the Act, as the body responsible for the character of the school, should the school be established.

Proposed roll numbers

21. VET have proposed an opening roll for the designated character school, if approved, of 220 students, growing to a maximum roll of 425 students within three years. However, the majority of these students would be distance learners. VET have proposed the physical school in central Auckland would be for a maximum of 30 senior (Year 11-13) students.
22. The proposed school, even with a roll of 425 students would be considered a small secondary school within the Auckland network. The average size of a Year 1-15 state composite school in Auckland is 313 students. The largest Year 1-15 state composite school in Auckland is Southern Cross Campus with a roll of around 1200 students. In Auckland, optimum accommodation levels required to manage future growth and the efficient provision of sustainable school infrastructure requires large secondary school campuses of 2,500–3,500 students.
23. The predicted roll for the first three years were provided by the applicant and are in the table below. The predicted roll for the students on site would not exceed 30 students over the next three years.

Year 1	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10	Y11	Y12	Y13	Total
	5	10	10	10	10	10	20	20	20	20	30	25	30	220
Year 2	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10	Y11	Y12	Y13	Total
	10	15	15	15	15	15	30	30	30	30	40	40	40	325
Year 3	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10	Y11	Y12	Y13	Total
	15	20	20	20	20	20	40	40	40	40	50	50	50	425

Legislative requirements

24. The application from VET is essentially proposing the establishment of a designated character school with part of it operating as a distance school, and part of the distance school being 'parent-led'. 'Parent led' tuition as proposed by VET is not possible from a state or private school. Under section 38 of the Act, a parent may seek an exemption from the requirement that their child be enrolled at a registered school in order to home school them, but if enrolled at a registered school, the school cannot pass its responsibility for education onto parents.
25. State schools have the option to provide some distance learning to their pupils, as most have done during the Covid-19 pandemic. However, it is not possible for a state school to provide full time distance learning to some pupils without being designated as a distance school under section 196 of the Act.
26. Currently, Te Aho o Te Kura Pounamu o Aotearoa (Te Kura), formerly The Correspondence School, is the only state school which has been designated as a distance school in the schooling system. It has been operational since 1922 and has its own bespoke policy processes and funding framework to provide education for students who, for various reasons (eg, distance, health), cannot access education at another state school.
27. When establishing a distance school under section 196 of the Act, the Minister must have regard to the education of people unable to conveniently receive tuition from a suitable state school that is not a distance school. There is no evidence that the students VET is proposing attend the new school online, are unable to attend another suitable state school. Under section 68, a person may not be enrolled at a distance school unless either they meet the enrolment criteria for a distance school fixed by the Minister or the person is a domestic student, and the Secretary has directed the distance school's board to enrol the person. The Secretary may not give a direction unless satisfied that the only state school that the person can conveniently attend is a distance school.

Online learning

28. In recent months, there have been several enquiries from entities wishing to provide education through online learning. These include private schools that have been established to provide all their curriculum through online learning, such as Crimson Global Academy, 3H International School, and Mt Hobson Academy.
29. We have previously provided Minister Hipkins with advice on a work programme for blended and distance learning [METIS 1274125 refers]. Minister Hipkins agreed to a work programme for blended and distance education which would explore options for increasing collaborative learning opportunities for schools and building the foundations for blended education. As part of this advice, we recommended that there should be no further expansion of full-time distance provision over the longer term. For those students who do require full-time distance education, the focus should be on improving the quality of that provision.
30. Because Te Kura is the only distance school in the New Zealand state education system, designating more state schools as distance schools would need to be based on a new policy framework to guide the establishment of these schools.
31. We are currently working on the medium-term direction for hybrid and distance learning. This work focuses on what the future of hybrid and networked learning could look like, rather than on an expansion of full-time distance learning options.
32. A new policy framework for the establishment of state distance schools would be required. It would not be possible to apply the existing framework for Te Kura, as our only current distance school, to start up specialist schools.
33. This new framework would need to include:
 - a. a fit-for-purpose funding model
 - b. regulatory frameworks for attendance, supervision and pastoral care, and education standards
 - c. ways to consider potential network implications, including eligibility for enrolment
 - d. equity aspects including how to safeguard the right to enrol, attend, and receive education at a local school when distance education is not a learner's best option.
34. Developing this policy framework is likely to take several years, potentially with a legislative process, and will also likely need a successful Budget bid.

Villa Education Trust engagement

35. We have met with the applicant regarding the current work that we are doing on distance hybrid learning and have informed them that the model that they have proposed cannot be progressed within the state system.
36. VET requested that their proposal was still submitted as evidence of demand for virtual schooling and have asked to be considered as part of the work programme going forward.
37. We have committed to continued engagement with VET on future work about distance learning.

Network Impact

38. It is proposed that onsite education would be provided at the current leased location of the private school for a maximum of 30 senior students to attend some classes or study. VET proposes most students would attend online, from across New Zealand.
39. VET have proposed an opening roll for the designated character school, if approved, of 220 students, growing to a maximum roll of 425 students within three years.
40. The Ministry has considered the network impact of this application from VET. It is evident that there is no need for a new state school in this area due to low demand and the limited capacity this school would provide to the schooling network.
41. We have also considered the high costs associated with this and previous applications – particularly around land purchase and teaching space accommodation in the applicant's preferred locations, and the higher priority of finding land for a state primary school within the preferred locations.

Property

42. The Crown is responsible for property costs associated with designated character schools. The provision of a site and construction of the associated property would need to be prioritised within the growth pipeline and would require funding through future budget rounds. This is unlikely without sufficient network pressure.
43. The Ministry has an existing long-term strategic land acquisition pipeline, to purchase sites for new schools outlined in the National Education Growth Plan. We prefer new schools to be located in a Crown owned asset due to concerns surrounding long-term security of leased property. Lease costs are subject to ongoing market rental escalation. The Ministry has a limited operating budget for this kind of cost, as leasing arrangements are not considered cost effective investments.
44. It is proposed that initially, the onsite education arm of the school operates from the leased location of the current private school. This is at 441 Queen Street, with space for approximately 30 students. The funding for the existing lease portfolio is tightly constrained, funding of this lease will put additional pressure on this funding source and may not be able to be funded without an increase in the Lease Opex appropriation.
45. This campus site is 245 sqm and comprises of three classrooms. As on-site accommodation would only be needed for senior students and for administrative purposes, this would reduce the need for a larger site. It is considered that the current site would provide sufficient space for the model proposed, although VET note that it is willing to explore an alternative property solution.
46. The leased office accommodation is located in the Auckland CBD. Given the premium location and escalating values in the current Auckland property market, the lease costs are high. Also, because of property and improvement constraints on tenants, there might be limited or no scope for a new school to grow in the future, should this be required.

Financial considerations

47. If you decide to proceed with the establishment of the proposed designated character school, we will undertake analysis of the proposed capital and operational costs for a school of this size. These details would be included in the next report, following consultation, which would be provided for your consideration.

Risks and mitigations

48. If this application is declined, there is a high probability that the applicant would go to the media about that decision. In this eventuality we would work with your Office to develop suitable media responses.
49. If the application were to be approved, there would be a concern that a large number of schools would apply to become distance schools, before there is the required legislative framework.

Consultation

50. If you decide to proceed with the establishment of the proposed designated character school, section 209 of the Education and Training Act 2020 requires you to first consult with the boards of all state schools whose rolls might be affected, before deciding whether to establish a new state school. The Ministry would undertake this consultation on your behalf. We would also consult with sector bodies, local iwi, and community groups as appropriate.
51. Following consultation, we would prepare a final report for your consideration and decision.

Next steps

52. We recommend that you decline to progress the application to establish a Year 1-13 designated character school in Auckland. Under current legislation a designated character school may not operate partly as a distance school. There is not network demand for a state designated character school in this area.

Proactive release

53. It is intended that this report be proactively released. Any information that might need to be withheld will be done so in line with the provisions of the Official Information Act 1982.

Annexes

Annex 1: Designated Character Statement

Annex 2: Letter to applicant

Proactively Released

Proactively Released

Hon Jan Tinetti

Minister of Education
Minister for Women
Minister for Child Poverty Reduction



Karen Poole
Villa Education Trust
P O Box 74-276
Greenlane
Auckland 1051

Tēnā koe Karen

Thank you for your application seeking that I establish a Year 1-13 designated character school, in Auckland. I acknowledge the successes your current school is enjoying with a diverse range of students. However, it is not possible under current legislation for a state designated character school to operate partially as a distance school.

Accordingly, I have decided not to progress the consultation process and not to establish the proposed new designated character school.

I understand the Ministry has committed to engaging with you further on distance hybrid learning as part of this work programme going forward. I look forward to this work progressing.

If you have any queries about this decision please contact Tanya Harvey, Director for Education in the Ministry's Auckland office on 9(2)(a) [REDACTED]

Nāku noa, nā

A handwritten signature in black ink, appearing to read 'Jan Tinetti'.

Hon Jan Tinetti
Minister of Education

cc Isabel Evans, Hautū/Deputy Secretary-Te Tai Raro

Hon Jan Tinetti

Minister of Education
Minister for Women
Minister for Child Poverty Reduction



Karen Poole
Villa Education Trust
P O Box 74-276
Greenlane
Auckland 1051

Tēnā koe Karen

Thank you for your application seeking that I establish a Year 1-13 designated character school, in Auckland. I acknowledge the successes your current school is enjoying with a diverse range of students. Before making a decision, I must first undertake consultation under section 209 of the Education and Training Act 2020 on your proposal, with the schools whose rolls might be affected. The Ministry of Education will undertake this consultation on my behalf.

The Ministry will also consult with appropriate sector organisations and groups as well as local iwi. As part of this consultation, the Ministry will advise you of the feedback and provide an opportunity for your response.

When consultation is complete, the Ministry will inform me of the feedback and provide advice on the change of designation of your school. When I have considered this advice, I will then be in a position to make a decision about the redesignation.

I understand the Ministry has committed to engaging with you further on distance hybrid learning as part of this work programme going forward. I look forward to this work progressing.

If you have any queries about this decision please contact Tanya Harvey, Director for Education in the Ministry's Auckland office on 9(2)(a) [REDACTED]

Nāku noa, nā

Hon Jan Tinetti
Minister of Education

cc Isabel Evans Hautū/Deputy Secretary-Te Tai Raro