MINISTRY OF EDUCATION
TE TĀHUHU O TE MĀTAURANGA

ORIGINAL SENT TO
25 JUN 2018
MINISTERS OFFICE

# Education Report: Initiating consultation about the possible closure of Inangahua Junction School (3198)

| | | | |
|---|---|---|---|
| **To:** | Hon. Chris Hipkins, Minister of Education | | |
| **Date:** | 22 June 2018 | **Priority:** | High |
| **Security Level:** | In Confidence | **METIS No:** | 1130354 |
| **Drafter:** | Philippa Pidd | **DDI:** | s 9(2)(a) OIA |
| **Key contact and number:** | Katrina Casey | **DDI:** | |
| **Messaging seen by Communications team:** | No | **Round robin:** | No |

## Purpose of Report

This paper seeks your approval to initiate consultation under section 157 of the Education Act, about the proposed closure of Inangahua Junction School. This consultation is with the boards of schools whose rolls might be affected. Please note that the closure has been requested by the Board of Trustees of the school.

## Summary

1. The roll at Inangahua Junction School has steadily declined from 11 students in March 2010, to five students currently attending. The Board of Trustees believes the long term viability of the school is poor, due to a lack of predicted future students in the area and an inability to provide social and cultural activities for its current students.

2. The Board of Trustees of Inangahua School wrote to the Ministry on 9 May 2018 asking for the voluntary closure of its school at the end of 2018. This has the support of the local parent community.

3. This report seeks your agreement to initiate consultation under section 157 of the Education Act 1989 (the Act) about the possible closure of Inangahua Junction School. Closure of the school, should it be approved, would then be under section 154 of the Act.

4. The Ministry has advised you of the Board's request to close in the Education Weekly Update of 24 May 2018.

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OEMS

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## Recommended Actions

The Ministry of Education recommends you:

a. **agree** to initiate consultation about the probable closure of Inangahua Junction School under section 157 of the Education Act 1989;

**Agree / Disagree**

b. **sign** the attached letter to the Chairperson of the Board of Trustees initiating consultation under section 157 of the Education Act 1989;

c. **note** that should you agree to the consultation being undertaken, we will meet with the Chairperson of the Board of Trustees to provide them with your letter and discuss the next steps in the process;

**Noted**

d. **agree** that this report be provided to the Board of Trustees; and

**Agree / Disagree**

e. **agree** that this report is proactively released as part of the Ministry's next publication of reports on its website.

**Agree / Disagree**

Katrina Casey
**Deputy Secretary**
**Sector Enablement and Support**

21/6/2018

Hon Chris Hipkins
**Minister of Education**

12/7/18

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# Education Report: Initiating Consultation about the Possible Closure of Inangahua Junction School (3198)

## Background

1. Inangahua Junction School is a decile 6, contributing primary school located approximately 35 kilometres north of Reefton, in the Buller District. See Annex 1 for a map of the area.

2. The school is currently on a three year Education Review Office (ERO) review cycle.

3. The roll at Inangahua Junction School has steadily declined from 11 students in March 2010, to its current roll of five students.

4. When the roll decline at Inangahua Junction School was first brought to the Ministry's attention in 2017, Ministry staff kept in touch with the Board to discuss the future options for the school. At that stage there was an indication that the school would request closure for the end of 2018.

5. The Board of Trustees of Inangahua Junction School wrote to the Ministry on 11 April 2018 asking for a voluntary closure of its school. The letter is attached as Annex 2.

6. The Ministry also met with the Board on 9 May 2018. Information was provided about the closure process, asset distribution and the Education Development Initiative (EDI) policy.

7. The Ministry's view is that Inangahua Junction School should close due to its isolation, falling roll and capacity in the local network to absorb current students.

## Assessment

8. The Ministry considers that Inangahua Junction School is no longer viable, and is being considered for closure for the following reasons:

- The Board has informed the Ministry that the roll at Inangahua Junction School is predicted to be smaller again in 2019 - just three students.
- There is also no significant pre-school aged population in the area and the Board are not aware of any new students of school age until 2021.
- The community is aware of the lack of opportunities for social interaction available to learners as a result of the low numbers, as well as the lack of opportunity for meeting the sporting and cultural needs of the students.

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9. Securing and retaining board members in the future would become a major problem with only two or three families involved in the school community.

10. The Board of Trustees of Inangahua Junction School has considered the future of the school, but as it is isolated, it considers there are limited options.

11. The Ministry's view is that the students at Inangahua Junction School would benefit educationally from the resources and greater opportunities for social interaction in a larger school.

## Education in the Local Area

12. Should Inangahua Junction School close, there are two local schools that have capacity to enrol these students. Both Reefton Area School and Sacred Heart Reefton are approximately 35 kilometres from Inangahua Junction School.

13. The rolls and capacities of these schools are as follows:

| School | Roll (1 March 2018) | Capacity (No. of students) | Surplus Capacity |
|---|---|---|---|
| Reefton Area | 150 | 209 | 59 |
| Sacred Heart Reefton | 23 | 75 | 52 |

14. Three students have left Inangahua Junction School since March 1 2018 and have enrolled at Reefton Area School. The parents of the five children left at the school have already planned to enrol their children at either Reefton Area School or Sacred Heart Reefton.

15. A school bus already runs from the Inangahua community to take Year 7-13 students to Reefton Area School. This means that primary students from Inangahua could also travel to Reefton on this bus for primary schooling.

## Financial Implications

16. Inangahua Junction School has performed adequately financially although it has had a number of recent financial deficits. The deficits in the last three years are shown in the table below:

| Year | Deficit |
|---|---|
| 2014 | $4830 |
| 2015 | $1195 |
| 2016 | $4980 |

17. If Inangahua Junction School is closed, the first year cost to the Crown is estimated to be $8000. This cost is due to surplus staffing entitlements. However, each year after this will see estimated savings to the Crown of

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$96,000, and an estimated saving of $980,000 over a 10 year period. This is GST inclusive.

## Property Implications

18. The property at Inangahua Junction School is Crown owned. If the school closes, as it is not required for educational purposes, the property would be disposed of in accordance with section 40 of the Public Works Act 1981, related local authority legislation and the protection mechanisms in respect of Māori land claims. The school house on site would also be part of this process.

## Transport Implications

19. Should closure be approved, School Transport Assistance (STA) may be provided to students who are attending the closest school they can enrol at, and where distance and accessibility are a barrier to attending this school.

20. Prior to the closure of the school, the Regional Transport Advisor will make contact with the school to assess the eligibility of any affected students and make the necessary arrangements.

## Closure process for State School

21. Sections 154 and 157 of the Education Act (1989) require the Minister to undertake consultation about possible school closures. If you agree to initiate this consultation process, the Ministry will formally consult with the Board of Inangahua Junction School and the Boards of other schools whose rolls might be affected

22. Once this feedback from the consultation has been received, it will then be provided to you in another Education Report, for your final decision about the future of the school.

23. As the Board of Trustees has requested this process, if you are satisfied that the school should close, you do not need to request final arguments from the Board as to why it should stay open. A letter to the Chairperson of the Inangahua Junction School Board of Trustees is attached for your signature.

## Conclusion

24. The Ministry considers that Inangahua Junction School is no longer viable, and is being considered for closure for the following reasons:

- The Board has informed the Ministry that the roll at Inangahua Junction School is predicted to be smaller again in 2019 - just three students.
- There is also no significant pre-school aged population in the area and the Board are not aware of any new students of school age until 2021.

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- The community is aware of the lack of opportunities for social interaction available to learners as a result of the low numbers, as well as the lack of opportunity for meeting the sporting and cultural needs of the students.

- Securing and retaining board members in the future would become a major problem with only two or three families involved in the school community.

25. The Board of Trustees of Inangahua Junction School has considered the future of the school, but as it is isolated, it considers there are limited options.

26. The Ministry's view is that the students at Inangahua Junction School would benefit educationally from the resources and greater opportunities for social interaction in a larger school.

## Next Steps - Consultation Plan

27. If you agree to initiate consultation, please sign the letter to the Board Chairperson and return it to the Ministry. Staff from the Ministry's Nelson, Marlborough, West Coast office will meet with the Board to hand deliver the letter and discuss next steps in the process.

28. Following the consultation with the Board of Inangahua Junction School and neighbouring schools, the Ministry will develop a report for you to consider the possible closure of the school.

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## 154 Closure of schools

(1) Subject to section 157, and to section 438, where, after consulting the board of a State school, the Minister is satisfied that it should be closed, the Minister may, by written notice to the board, ask the board if it has any arguments in favour of the school's staying open.

(2) The Minister may, after considering all arguments (if any) received from the board within 28 days after it got notice under subsection (1), by notice in the *Gazette* specifying a day on which the school will close, close the school; and the school shall cease to be established on the day specified.

(2A) If the board of a State school at any time advises or indicates to the Minister in writing that it agrees to or does not oppose the proposed closure of the school, the Minister may (despite anything in subsection (1) or subsection (2) and regardless of whether the Minister has formally begun or completed the necessary consultation under subsection (1)) close the school by notice under subsection (2) at any time on or after receiving the board's written advice.

(2B) A decision to close a school under subsection (2) is in the Minister's absolute discretion.

(3) Where a school is closed under this section,—

(a) its board shall thereupon be deemed to have been dissolved; and

(b) all assets, liabilities, and debts that the board had immediately before dissolution shall be deemed to have become assets, liabilities, and debts of the Minister.

(3A) Without limiting the rights or privileges conferred on the Minister by subsection (3)(b), the following provisions apply to property that was, immediately before dissolution, held by the board in trust for the benefit of the school:

(a) the Minister may at any time apply to Public Trust to devise a scheme to modify the trust for the benefit of another school:

(b) if the Minister applies under paragraph (a) to Public Trust, subsections (2) to (7) of section 156C apply with any necessary modifications (as if the property were property to which that section applies).

(4) A school that has been closed may not be reopened, except by being established again under this Act.

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## 157 Consultations

(2) The Minister shall not—

(aa) declare a school to be a boys' school, a girls' school, or a co-educational school under section 146A(1); or

(ab) set limits by notice under section 146A(3) on the number of girls who may attend a boys' school, or boys who may attend a girls' school; or

(a) designate a primary school as a normal or model school under section 148(1)(a); or

(b) designate a normal or model school or model class within a primary school under section 148(1)(b); or

(c) revoke under paragraph (c) of subsection (1) of section 148 a designation under that subsection; or

(d) establish or disestablish an intermediate department under section 149; or

(e) determine under section 150(1) that a particular school is to be or cease to be a contributing school; or

(f) limit under section 151 the education given at a composite school; or

(g) change under section 153(1) the class of a school—

without consulting the board of the school concerned.

(3) The Minister shall not—

(a) establish a school under section 146(1); or

(aa) declare a school to be a boys' school, a girls' school, or a co-educational school under section 146A(1); or

(b) establish or disestablish an intermediate department under section 149; or

(c) determine under section 150(1) that a primary school is to be or cease to be a contributing school; or

(d) limit under section 151 the education given at a composite school; or

(e) change under section 153(1) the class of a school; or

(f) close a school under section 154; or

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(fa) redesignate, or remove a designation from, a school under section 154A; or

(g) merge any school or schools with another under section 156A,—

unless subsection (3A) applies, without first consulting the boards of all State schools whose rolls might, in the opinion of the Minister, be affected if the Minister takes that action.

(3A) Subsection (3)(f) and (g) does not apply if the relevant boards have already been consulted on a closure or merger option as part of a review of the provision of schooling in a particular area.

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**The Board has initiated the Closure Process**
**Usually takes about 6 months**

| Phase | Action | Who is Involved |
|---|---|---|
| Board seeks the permanent closure of the school | The board writes to the Minister/Ministry requesting closure of the school. The letter usually includes information about why the board is making this request and the date of the board meeting that the proposal was supported.<br><br>If the board has written to the Minister a reply, acknowledging the request and saying that the Ministry will be in contact (or continue to be in contact), will be sent by the Minister. If it has written to the Ministry the Ministry will reply directly.<br><br>It is noted that often discussions about the future of a school have been taking place for some time before the board decides to request this in writing.<br><br>Sometimes the board will have already discussed the future of the school with its community before it formally writes to the Ministry/Minister. | Board<br>Ministry/Minister |
| Ministry contacts Board | If there has been little or no contact between the Ministry and the board, a meeting or number of meetings will be organised at this stage of the process.<br><br>If there have been several meetings with the board, and its members are confident with the closure process, the contact may be by phone or email to confirm that the closure process is now formally underway. | Ministry/Board |
| First report to the Minister | The Ministry develops a report for the Minister about the current situation at the school. This includes background material such as:<br>• the reasons for the board's request<br>• if there are any issues or risks that are specific to the situation<br>• the Ministry's contact with the school in the past, leading up to the closure request<br>• the Ministry's recommendation for the Minister.<br><br>The report also includes a letter to the board for the Minister's signature. If the Minister agrees to support the board's request this letter formally initiates the consultation process that is needed before any decision about closing the school can be made. | Minister/Ministry |

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| | | |
|---|---|---|
| | If the Minister agrees to begin the consultation process:<br>• The Ministry undertakes consultation with the boards of the schools whose roll may be affected should the school close<br>• The board that requested closure undertakes consultation about the future of the school with its parent community and if it wishes its wider local community. Once it is completed the board reports to the Ministry on the outcome.<br><br>There is no set timeframe for this consultation – it is usually about 4-6 weeks.<br><br>The Ministry and board consultation processes may include meetings, letters, questionnaires, emails etc. | |
| Second report to the Minister | When the consultation feedback is received from the board, the Ministry develops a report for the Minister providing the information for his consideration. The report also includes the feedback that the Ministry has received from its consultation, and a letter from the Minister to the board.<br><br>If the Minister is satisfied that the school should close he will write to the board informing it of the date of the closure.<br><br>If the Minister considers that the school should remain open he will write to the board to inform it that it will not close.<br><br>If the Minister agrees that the school should close he will also sign a notice for the New Zealand Gazette. The publication of the notice completes the legal part of the closure process. | Ministry/Minster |
| Closure gazetted | The closure gazette notice is published. | Ministry (National Office) |
| Implementation of the closure begins | Planning and implementation of the school closure is discussed with the board. This includes distribution of the school's assets, wrap-up of the school's finances and support for students to enrol in another school. The details are recorded in the EDI Memorandum of Agreement. | Ministry/ Board |

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## Annex One: Map of Inangahua Area and Reefton Schools

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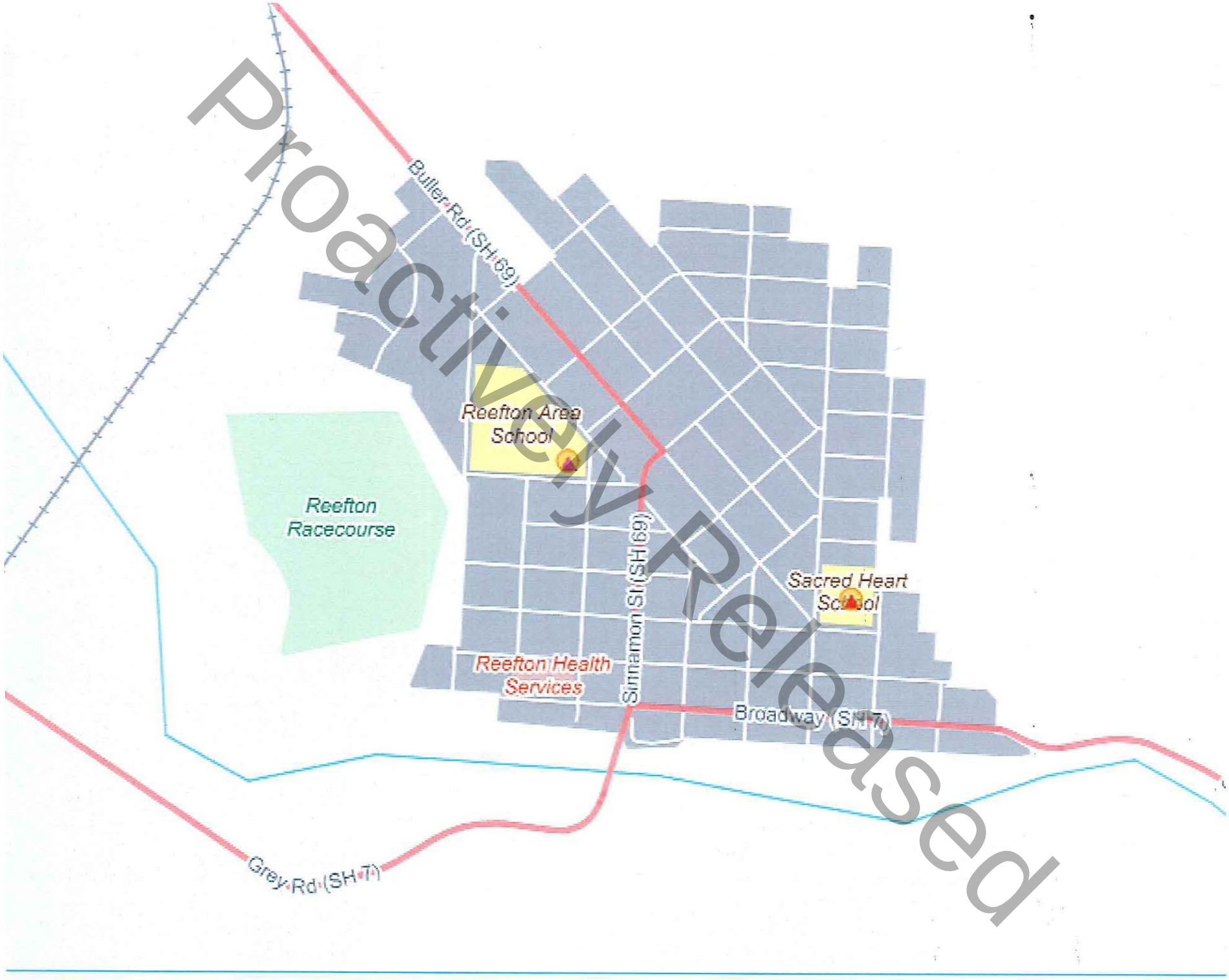


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Annex Two: Letter from Inangahua Junction School Board Chairperson

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16 APR 2018
MOE Nelson

# Inangahua Junction School

122 State Highway 6
RD 1, REEFTON 7895
West Coast

Phone: 03 789 0284
Fax: 03 789 0249
E-mail: inanga49@ihug.co.nz
Principal: Alexandra Robinson

*Through Knowledge We Grow*

RECEIVED
16 APR
MOE Nelson

11 April 2018

Ministry of Education
PO Box 282
NELSON 7040

Dear Sir/Madam

Following the undertaking of our school community survey in November 2017, we wish to advise the results were not promising for the continuation of Inangahua Junction School. A summary of the survey results is attached. (Please note, the student survey results have been incorporated into this year's educational programme.)

All parents, students, staff and Board members were surveyed. Whilst support for the school and its educational achievements was strong, the longer-term prognosis indicated closure is the wisest action.

With the roll now having dropped to five students, the financial viability is already somewhat questionable. Two students are due to transition at the end of 2018 and there are no known new students until 2021.

Meeting the social, sporting and cultural needs of rurally isolated children is already difficult. There is no public transport available, cellphone coverage is patchy at best, and some families have no access to the internet. At this stage school is the only regular social contact some of our students experience. Wherever possible, we link activities with the smaller schools of Sacred Heart and Maruia, and/or travel to Westport South. Though this helps stimulate and challenge our students, such trips do incur extra travel costs. As the roll drops, resourcing such trips will become more difficult and fundraising options are already decidedly limited.

Next year there will only be two, possibly three, families involved in the school community. Securing and retaining Board members would become a major problem. We will also be losing the person currently responsible for property and who undertakes minor maintenance (over-and-above our Caretaker's role), hence placing further financial pressure on a limited budget.

Sadly, the Board of Trustees concluded the school should close at the end of 2018.

We wish to provide our staff, students and wider community as much forward notice as possible, so they may plan their futures accordingly. Please advise, as soon as possible, what the Board's next course of action needs to be.

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Please be aware, we are requesting some of the 10YPP funds be released so our Caretaker may remain at the Board-owned school house until the property is on-sold -- providing security and addressing urgent maintenance issues for the whole site.

We look forward to your response and guidance in the near future.

Yours faithfully

ARobinson

Alexandra Robinson
*Principal*
**Inangahua Junction School**

Mitchell 7.5.18

Justine Mitchell
Board Chair

CC Ministry Education, Wellington

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# Office of Hon Chris Hipkins

**MP for Rimutaka**

Minister of Education
Minister of State Services

Leader of the House
Minister Responsible for Ministerial Services


Justine Mitchell
Chairperson
Board of Trustees
Inangahua Junction School
122 State Highway 6
RD 1
Reefton 7895

Dear Justine

Thank you for your letter dated 9 May 2018 from the Inangahua School Board of Trustees stating that the Board wishes to seek the closure of the school.

I note that over the past years the roll at Inangahua Junction School has declined from 11 students in March 2010 to the present actual roll of 5 students. I am also informed that the predicted roll for 2019 is three students and that there are two primary schools within 35 kilometres of Inangahua Junction School.

Firstly, I wish to thank your Board for being prepared to investigate and discuss various options on the future of Inangahua Junction School.

Before a decision is made as to whether or not to close a school under section 154 of the Education Act 1989, the Ministry of Education consults on my behalf with the Board of the school, and with the Boards of any schools where the rolls might be affected. This consultation is required under section 157 of the Education Act 1989. I have enclosed the relevant sections of the Act and a table outlining the closure process.

As your school has now formally entered this process the Board should be aware that it:

- should not make permanent appointments (teaching or non-teaching);
- should discuss the appointment of fixed term employees with Ministry staff before any such positions are advertised;
- should only undertake health and safety property projects; and
- should be particularly prudent with expenditure of operational / school funding.

I have asked the Ministry to continue discussions and further consultation with your Board about the possible closure of Inangahua Junction School.

Yours sincerely

Hon Chris Hipkins
Minister of Education

Cc Derek Lucić, Director of Education, Nelson Marlborough West Coast

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