

Education Report: Agreement to establish and integrate Suzanne Aubert Catholic School in Papamoa East, Tauranga City

To:	Hon Chris Hipkins, Minister of Education		
Date:	4 February 2020	Priority:	High
Security Level:	In Confidence	METIS No:	1214773
Drafter:	Hana Crengle, Senior Advisor	DDI:	s 9(2)(a)
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Messaging seen by Communications team:	No	Round Robin:	No

Purpose of report

This report seeks your agreement to establish and integrate a new state integrated Year 1 – 6 co-educational primary school in Papamoa, Tauranga.

The prospective proprietor, the Roman Catholic Bishop of Hamilton, is seeking to establish the new school as a Year 1-6 contributing primary school, with a pathway to Aquinas College in Tauranga. If approved, the school will be known as Suzanne Aubert Catholic School. It would open for 80 students in Term 1 of 2021.

Summary

1. The Roman Catholic Bishop of Hamilton, proprietor of three Catholic schools in Tauranga, applied for and was granted approval in July 2017 to enter into negotiations to integrate a new Year 1-6 Catholic primary school to be located in Papamoa, Tauranga [METIS 1069224 refers].
2. In those negotiations, the proprietor sought Policy Two whole-of-school funding for building the school and was declined in 2018. The proprietor has now investigated other finance options and on 27 September 2019 he confirmed he will meet the costs of building the school if established.
3. Your approval is sought to establish and integrate the school. Under section 421 of the Education Act 1989, you have the sole authority to establish and integrate a new state integrated school.
4. It is proposed that if integration is approved, the school would open for Term 1 of 2021. It is proposed that the date of integration would be 1 March 2020.

5. We have consulted with the boards of schools whose rolls might be affected by the proposed new school.
6. All but one school that responded supported, or did not oppose, establishing and integrating the new school. St Thomas More Catholic School in Papamoa (approximately 15km away and in the same parish) submitted a concern about impacts on its roll. The board of St Thomas More Catholic School has agreed with the applicant to an amended catchment map for the new school and a plan to support both schools with shared messaging to parents. The applicant has agreed with the Ministry to lead discussions with the parish community in 2020 about governance and other options for future cooperation between the two parish schools. The intended parish discussions have been included in the contract for governance support to the Establishment Board of Trustees.
7. We have consulted with the Association of Proprietors of Integrated Schools (APIS), which continues to support the application, and the New Zealand Educational Institute (NZEI). NZEI has no objection, on the basis that the proposed school would partly meet growing demand and no other school would be adversely affected.
8. The National Education Growth Plan (NEGP) for Papamoa identifies the need for additional capacity over the next 10 years and beyond. This includes provision of additional capacity through existing schools at both primary and secondary level, and through new schools in the future, subject to site acquisition.
9. The proposal for Suzanne Aubert Catholic School has a small network benefit as it reduces the amount of temporary provision that might be required in the Papamoa schooling network in 2021, given a planned new state primary school will not open until 2022 at the earliest.
10. The proprietor proposes to open for 80 students in January 2021, growing by 35-45 students per year to a maximum of 250 by January 2026. We propose to **provide for staggered maximum roll steps that allow for growth on a slightly faster timetable**, subject to the proprietor providing property to accommodate the roll.
11. If you agree to integrate Suzanne Aubert Catholic School it is estimated there would be an annual cost of approximately \$580,000 (excl GST) in salary and operating costs based on a roll of 80 students in the first year. There would be an estimated annual cost of approximately \$1.355 million (excl GST) based on the maximum roll of 250 students (expected to be reached by 2026).
12. Establishment funding, including Library, and Learning and Teaching Grants, would be \$242,866 (excl GST) over four years.

Recommended actions

We recommend that you:

- a. **note** that on 17 July 2017 the Roman Catholic Bishop of Hamilton received agreement to enter into integration negotiations for the establishment and integration of a Catholic primary school in Papamoa East, Tauranga, and that consultation and negotiations are complete;

Noted

- b. **agree** to establish and integrate Suzanne Aubert Catholic School into the State education system under section 421 of the Education Act 1989;

Agree / Disagree

- c. **agree** that the maximum roll of Suzanne Aubert Catholic School be staggered in the following increments, subject to confirmation of projected growth in the area and the proposed roll increase having no adverse effect on the broader network of schools:

- 100 from January 2021
- 150 from January 2022
- 200 from January 2023
- 250 from January 2024.

Agree / Disagree

- d. **approve** 1 March 2020 as the effective date of the integration of Suzanne Aubert Catholic School with the school to open in Term 1 of 2021;

Agree / Disagree

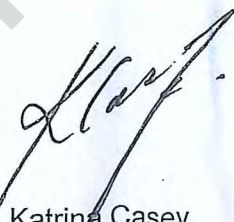
- e. **sign** the attached *New Zealand Gazette* notice notifying establishment and integration of the school;

- f. **sign** and have witnessed the two attached deeds of integration as marked, and initial each page;

- g. **sign** the attached letters to the proprietor and local Members of Parliament, notifying them of your decision;

- h. **agree** that this report be proactively released in line with your expectations that information be release as soon as possible. Any information that might need to be withheld will be redacted in line with the provisions of the Official Information Act 1982.

Release / Not Release



Katrina Casey
Deputy Secretary
Sector Enablement and Support

4/2/2020



Hon Chris Hipkins
Minister of Education

16/2/20

Background

1. In September 2015, the Roman Catholic Bishop of Hamilton applied to establish a new Catholic integrated primary school under the Private Schools Conditional Integration Act 1975, in Papamoa, Tauranga.
2. The request was considered as part of a detailed review of the Mount Maunganui and Papamoa schools network in 2015-16 and included in sector and community consultation on options for Papamoa schooling.
3. On 17 July 2017, the former Minister of Education agreed that the Ministry enter negotiations on her behalf with the Roman Catholic Bishop of Hamilton to establish and integrate the new Catholic primary school [METIS 1069224 refers].
4. In those negotiations, the proprietor sought Policy Two whole-of-school funding for the school at 85% of the cost of a comparable state school. In May 2018, Budget decisions determined that Policy Two funding would not be available. This was re-confirmed for Budget 2019.
5. The proprietor has now investigated other finance options and on 30 September 2019 he confirmed his intention to seek your approval to establish and integrate the school.

Legislative requirements

6. Under section 421 of the Education Act 1989 you have sole ability to approve the establishment and integration of a state integrated school.
7. Subject to your approval, Suzanne Aubert Catholic School would have an effective establishment and integration date of 1 March 2020, and would open for instruction as an integrated school in Term 1 of 2021.
8. The special character of the school is a type that cannot be provided within an ordinary state school, described as follows:

The school is a Roman Catholic School in which the whole school community, through the general school programme and its religious instruction and observances, exercise the right to live and teach the values of Jesus Christ. These values are expressed in the Scriptures and in the practices, worship and doctrine of the Roman Catholic Church, as determined from time to time by the Roman Catholic Bishop of Hamilton.

Consultation

9. We have consulted the boards of state schools whose rolls might be affected if you agree to establish and integrate the school, in light of the catchment map for the new school. No objections to establishing the new school were received but a concern was raised by St Thomas More Catholic School, which is located approximately 15 km from the proposed new school and adjacent to the parish church that both schools will serve. Responses to consultation are attached (Annex 1).

10. The proprietor believes there is sufficient demand for Catholic schooling in the parish area, which underpins the Bishop's willingness to invest in building the new school. The proprietor acknowledged in his application that there would be a roll impact on St Thomas More Catholic School in the short term, but expects that growth in population in Papamoa will see both schools thriving in the medium term.
11. The Board of St Thomas More Catholic School has met with the proprietor several times as the new school proposal has developed. Representatives met again on 27 November 2019 and resolved the concern raised by the Board with an agreement about catchments for the schools and shared advertising of the schools to the community.
12. The St Thomas More School Board of Trustees has confirmed it does not object to the new school. On 29 November 2019, the Board stated "we are happy that [the agreement with the Proprietor] will help with the perception of what area our respective schools cover" and "that the Diocese would be willing to help our school with advertising etc, to help boost our profile." The Board of Thomas More Catholic School is focused on improving relationships, visibility and appeal to the community. The principal of St Thomas More School completed a two-year contract leading the Faith Based Community of Learning at the end of 2019 and will be returning to full-time commitment to her school in 2020.
13. If you agree to establish the new school, the proprietor has committed to ensuring the parish community discuss opportunities for governance and other cooperation between the schools, including potential to cater for diversity in Catholic practice and education. The Ministry and the proprietor expect that the new school would choose to join the Faith-based Community of Learning.
14. We have consulted with APIS, which continues to support the application, and NZEI. NZEI has no objection, on the basis that the proposed school would partly meet growing demand and no other school would be adversely affected.

Proposed Terms of Integration

15. The Ministry and the Roman Catholic Bishop of Hamilton have negotiated the deed of integration that will establish Suzanne Aubert Catholic School as a state integrated school, subject to your approval. The following terms have been agreed:
 - a. The proprietor is the Roman Catholic Bishop of Hamilton.
 - b. Suzanne Aubert Catholic School will provide co-educational education for Year 1-6 students.
 - c. The proposed new school will be built on a site on the corner of Golden Sands Drive and The Boulevard, Papamoa East, Tauranga.
 - d. The proprietor has defined the special character as Catholic in character, and established by the proprietor to serve the families and wider Catholic community of Papamoa and Te Puke.
 - e. The school will open in January 2021.
 - f. The roll is expected to grow in progressive increments of 35-45 students per annum, from an opening roll of 80. The maximum roll will be staggered in the following increments:
 - 100 from January 2021

- 150 from January 2022
 - 200 from January 2023
 - 250 from January 2024.
- g. The non-preference roll will be 10% of the maximum roll.
16. Two original copies of the deed of integration are attached as Annex 2. To be valid you must sign each copy, initialing each page, and have this witnessed.

Network implications

National Network Growth Plan

17. If approved, the new school would be located within Papamoa, an area identified in the National Education Growth Plan as a 'Blueprint for Growth' area where local government planning includes intensive housing development and expansion. The plan for the Papamoa area identifies limited options to meet population needs other than through additional infrastructure investment.
18. On 18 February 2018, you approved the establishment of a new Year 1-6 state primary school in Te Okuroa Drive, Papamoa (METIS 1174847 refers). This school is currently projected to be open in 2022 at the earliest. Temporary primary accommodation is being planned to accommodate projected growth in rolls expected before the new state school will be open. Site acquisition is also underway to build a further state primary school to meet the needs of the Papamoa community.

Impact on ordinary state schools

19. We consider that, if the proposed Suzanne Aubert Catholic School is able to open at the start of 2021, it will have a relatively small impact on the rolls of ordinary state schools in the area. The proposed school would assist the Ministry to meet growth needs in Papamoa by adding capacity to the Year 1-6 primary school network.
20. While Suzanne Aubert Catholic School is to be located just 0.5 km from the state contributing primary school, Golden Sands School, the risk to the roll of Golden Sands School is low. The rate at which the school-aged population has been growing in Papamoa is such that these two schools can co-exist in proximity with a significant roll at Golden Sands School. Projections suggest this would remain the case when the second state Year 1-6 primary school in Papamoa opens in 2022.
21. Risk to the state school network is also mitigated by the applicant building Suzanne Aubert Catholic School with infrastructure for the maximum roll of 250, but with only the required teaching spaces for the planned roll steps.

Effects on Catholic schooling network

22. St Thomas More Catholic School has not enrolled up to its maximum roll (240) while the area of Mount Maunganui and Papamoa has grown significantly, and

ordinary state schools' rolls have grown beyond existing capacity. The proprietor, Board and Ministry concur that factors other than the possible establishment of Suzanne Aubert Catholic School are influencing the roll at St Thomas More Catholic School. The school neighbours the parish church, which attracts those with regular faith practice, but the area is in the midst of development with a level of construction disruption around the school.

23. We consider that growth in Papamoa would support a Catholic schooling roll of 500 (the proposed combined roll of the two schools) and that it is not in the interests of the proprietor for the roll of St Thomas More Catholic School to decline. The roll of St Thomas More Catholic School is predicted to decrease in 2020, but worthy endeavours are underway from the applicant to support the school.
24. The possible establishment of a new school has encouraged positive [conversations with St Thomas More Catholic School](#). Further discussion by the parish community, led by the applicant, is an appropriate vehicle for exploring future opportunities, which could extend to shared governance. The new school's board constitution can first be considered by you when the Establishment Board of Trustees transitions to an elected board.
25. We consider that the additional Catholic schooling will not make St Thomas More Catholic School, or any state school in the local network, marginal or eliminate the need for planned additional state schooling investment in the Papamoa area.
26. We consider that any impact on the roll of St Thomas More School would be mitigated by proposed staging of the maximum roll for Suzanne Aubert Catholic School, and that growth in the area supports a Catholic schooling roll that can sustain the two schools.
27. The third primary option in Tauranga, St Mary's Catholic School Tauranga, is at its maximum roll, which should also see local parents moving towards St Thomas More Catholic School.
28. We will continue to monitor the roll effects of the new school on St Thomas More Catholic School and will propose an enrolment scheme if necessary.

Financial implications

29. No Policy Two funding is required for this school.
30. Approximately \$300,000 establishment funding would be available for this school if you approve establishment on 1 March 2020, with the school opening for Term 1 of 2021.

Resourcing

31. Based on the initial roll of 80 students in 2021 and a maximum roll of 250, which the school aspires to by 2026, the estimated annual operational costs to the Crown are set out in the following table.

Table 1: Resourcing projections for Suzanne Aubert Catholic School

Roll	Staffing	Operations Grant	Salaries	Total
80 (proposed opening roll) 2021	4.9 FTTE and 3 units	\$129,891	\$452,411	\$582,302
250 (projected 2026 roll)	12.6 FTTE and 13 units	\$294,860	\$1,060,528	\$1,355,388

32. If you agree to integrate the school it is estimated there would be a cost of \$582,302 (excl GST) in salary and operating costs, based on a roll of 80 students in the first year. There will be an estimated cost of \$1,355,388 (excl GST) each year after the roll reaches 250 (projected to be between 2024 and 2026).

Establishment funding

33. Establishment funding, including Library, and Learning and Teaching Grants, would be \$242,866 (excl GST) over four years.

Property and assets

34. Proprietors of integrated schools are responsible for the provision of land and buildings. To assist them with this, proprietors receive Policy One funding from the Ministry to pay for capital maintenance and modernisation projects. The proprietor will otherwise meet the full property costs of building the school.

Other matters

Establishment Board of Trustees

35. To fast-track establishment should you agree to establish and integrate the school, we sought nominations for an Establishment Board of Trustees (EBOT) for the possible Suzanne Aubert Catholic School. Nominations were assessed on 16 December 2019, and five people were selected as suitable to be appointed to the EBOT. Names will be shared with you under our normal protocol. Once the selection of candidates has been approved by the Associate Deputy Secretary Operational Delivery, appointments to the EBOT will be made under section 98(1)(a)(i) of the Education Act 1989.
36. Subject to you agreeing to establish the school, we have completed a closed tender appointment process for a governance facilitator to support the EBOT to become an effective governance body and prepare the school for opening. The likely governance facilitator, Jeremy Kedian, has close ties to the parish and recent experience on an EBOT.
37. With an establishment date of 1 March 2020, the EBOT (which we would appoint promptly) would have 10 to 11 months to prepare for opening the school, and would be expected to plan for transition to an elected board by July 2020.

Attendance dues

38. Should integration proceed, the proprietor will be entitled to charge attendance dues as a term of the integration agreement. The proprietor will apply to the

Ministry, providing details of its debt against the state integrated property, and we will set the maximum attendance dues that can be charged.

Community of Learning | Kāhui Ako

39. If established, Suzanne Aubert Catholic School will be a contributing school to Aquinas College (Years 7-13) in Pyes Pa, Tauranga. The proprietor acknowledges that some Year 7-13 students might enrol at intermediate or secondary schools other than Aquinas College for reasons of travel distance and convenience. This is an existing Catholic pathway that is also supported by participation by all schools in the Faith-based Community of Learning.
40. Should the establishment and integration of the school be approved, Suzanne Aubert Catholic School will become part of the Bay of Plenty-Waiariki Faith-based Community of Learning | Kāhui Ako, which encompasses the following schools:
- John Paul College, Rotorua
 - St Mary's Catholic School Rotorua
 - St Michael's Catholic School, Rotorua
 - Aquinas College, Tauranga
 - St Mary's Catholic School, Tauranga
 - St Thomas More Catholic School, Mt Maunganui
 - St Mary's Catholic School, Putaruru
 - St Joseph's Catholic School, Opotiki
 - Bishop Edward Gaines Catholic School, Tokoroa

Conclusion

41. We support establishment and integration of the proposed school, for the following reasons:
- a. We consider that the proprietor has met the assessment criteria for establishing and integrating Suzanne Aubert Catholic School.
 - b. Approving the establishment and integration will assist the Ministry in meeting the needs of projected student numbers in the Papamoa area.
 - c. A state integrated Catholic primary school would increase the choice of educational options for families in Papamoa and Te Puke.
 - d. The proposed opening date for the school would assist the Ministry in meeting schooling needs arising from the deferred opening of the new state primary school and continuing population growth in the area.
 - e. The potential effect on the roll of any other school in the network could be offset by the likelihood of future growth in the Papamoa area and the value in meeting the needs of the growing population of children.

Risks and mitigations

42. There is a risk that the population growth in Papamoa will slow down and we will not need additional provision from the establishment and integration of Suzanne Aubert Catholic School.

- This is unlikely as roll pressure is continuing to be experienced at all schools in the Papamoa area. Should this occur, it can be mitigated by setting the maximum roll within the current capacity of the school, and invoking clause 32 (b), (c) and (d) of the integration agreement.


43. The EBOT might have issues developing the school to be an effective learning organisation.

- We have selected a suitable person to be appointed a governance facilitator **to support the EBOT in its role, if you establish the school. The governance** facilitator has board governance and Catholic community experience and is able to effectively support the board chair. With this support we consider this risk to be low.

44. If you decline the application for establishment and integration we will continue to have the same and higher levels of roll pressure in the Papamoa area.

- We would work with the schooling network to explore other solutions.

45. s 9(2)(g)(i)



Next steps

46. If you approve the integration you are asked to sign:
 - and initial each page, and have witnessed the two copies of the integration agreement attached (Annex 2). Please return these to the Ministry.
 - the attached notice for the New Zealand Gazette (Annex 3)
 - letters to the proprietor (Annex 4)
 - letters to local MPs (Annex 5).
47. If you approve the integration, we will work with the EBOT, the governance facilitator and the Education Review Office to ensure the school is open for Term 1 of 2021.
48. If you do not approve the integration, we will prepare a decline letter to the proprietor for you to sign.

Proactive release

49. It is intended that this education report and the stage one report for this application is proactively released as per your expectation that information be released as soon as possible. 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: Consultation feedback

Annex 2: Two copies of the Deed of Integration

Annex 3: *New Zealand Gazette* notice

Annex 4: Letter to proprietor

Annex 5: Letters to local MPs