Date:	5/12/2016	Priority:	High
Security Level:	In Confidence	METIS No:	1039490
To:	David Seymour MP, Parliamentary Under-Secretary to the Minister of Education		
Copy to:	Hon Hekia Parata, Minister of Education		
Approved by:	Pauline, Acting Deputy Secretary, Early Learning and Student Achievement	DDI:	04 463 8001 / 0272296982

Purpose

1. In accordance with the request from your office, this briefing provides you with speaking notes ahead of the meeting of the Social Policy Committee on Wednesday 7 December to discuss the Cabinet paper *Partnership Schools | Kura Hourua - Policy decisions for Round Five* (see Attachment A).

2. The speaking notes in Attachment A have also been provided to Minister Parata.

Background

3. *Partnership Schools | Kura Hourua - Policy decisions for Round Five* (the Cabinet paper) proposes a new focus for Round Five of applications for sponsors of Partnership Schools | Kura Hourua (PSKH). It is proposed that application Round 5 for PSKH focus on STEM applications.

4. If there are no viable and effective applications for STEM Partnership Schools, or others of interest, all selected PSKH will continue the current focus on priority learners.

5. The Cabinet paper also seeks Cabinet approval to extend the Principal's Salary component of the establishment funding for Partnership schools. It would be extended from six months to not more than twelve months for primary schools and from six months to not more than five terms/quarters for secondary schools.

6. The Cabinet paper also informs Cabinet of an intended increase to the Guaranteed Minimum Roll (GMR) in new contracts from one term/quarter to 12 months to provide funding certainty in the critical first year of operation.

Additional information

7. In addition to the speaking notes in Attachment A, below is some further information that might help guide discussion at the Social Policy Committee meeting.

Potential benefits of STEM-focused Partnership Schools

8. Lifting engagement and achievement in STEM education is vital, and PSKH, with their high degree of flexibility for innovative education provision, may be in a good position to provide a STEM-focused education, with the following benefits:

    • they would attract students with a STEM interest and further nurture that interest

    • flexibility to hire scientists and other STEM experts that are not registered teachers

    • flexibility in setting remuneration for STEM teachers

    • partnerships with tertiary providers and businesses with a STEM expertise

    • potential to develop a deep STEM focused curriculum beyond *The New Zealand Curriculum* and *Te Marautanga o Aotearoa.*

International experience with STEM schools

9. The concept of STEM schools has increasingly become a feature of other education systems. They are well-established in the United States, where a 2010 report by the President's Council of Advisors in Science and Technology called for the creation of 1,000 additional STEM-focussed high schools within a decade.

10. Texas began a T-STEM initiative in 2006, the largest investment in STEM schools in the US. Early findings from one ongoing study found that T-STEM students performed better in mathematics and science than non-T-STEM students from matched comparison schools.

11. In the United Kingdom some Free Schools have specialised in STEM areas. The University of Exeter and King's College London (KCL), for example, have both opened specialist mathematics Free Schools for senior secondary students. Both schools report excellent results.

Changes to principal salary funding for Rounds 4 and 5

12. The funding model for PSKH was changed in 2015. Cabinet agreed to a funding model intended to give PSKH additional incentives to grow, and to ensure that the schools are efficient while they are small. The 2015 changes allocated more of the risks to sponsors, and incentivised them to partner with external parties for resourcing to enrich the linkages between school and community, and allow more PSKH to be opened for a given budget.

13. Schools were provided six months of a principal's salary so that the sponsor could employ a principal to help set up the school. This was sensible when set-up time for schools was short. However, as rounds four and five will also have longer set-up times than the PSKH opened to date, I also propose that the principal's salary component of the set-up funding for PSKH be extended to be comparable to the set-up funding that state/mainstream schools receive.

Implementing Cabinet's Policy Decisions

14. Subsequent to Cabinet agreement, the Ministry will provide you with advice on implementing Cabinet's policy decisions. This will include advice on how the performance standards in PSKH contracts might be altered in accordance with Cabinet's decisions.

Proposed timeline for Round Five

15. The timeline below sets out the current timeline for Round Five.

12 December 2016	Cabinet approves policy changes ahead of Round 5; agreement in principle to commence Round 5, public announcement shortly thereafter
17 January 2017	Education Report on implementing Cabinet's policy decisions ahead of Round Five
7 February 2017	Preparation of Expression of Interest (EOI) documents and sign off prior to launch **(1 wk)**
13 February to 3 March 2017	EOI in market **(3 wks)**
6 to 24 March 2017	Evaluation of EOI **(3 wks)**
27 March 2017	Final assessment of EOIs
10 April – 5 May 2017	Request for Application in Market **(4 wks)**
5 May to 28 June 2017	Evaluation of RFA including presentation and site visits (nearly 8 wks)
30 June 2017	Provide to U-S Office: Draft Cabinet Paper on: - to draw down funding - note intentions to negotiate with preferred applicants (schools opening in 2019 only) *(Timing: Lodge with Cab Off 20 Jul; SOC on 26 Jul; CAB on 31 Jul*
Early August - Late September 2017	Contract Negotiations commence **(proposed deadline of 29 Sept)**
Early October 2017	Education Report: Execute agreements

Appendix A: Speaking Notes – Cabinet Paper – Partnership Schools |Kura Hourua - Policy decisions for Round Five

Proposal

- We are asking the Committee to:

  - **agree** that for round five, the focus of Partnership Schools | Kura Hourua (PSKH) be on Science, Technology, Engineering and Mathematics (STEM) applications;

  - **agree** that, for rounds four and five, the Principal's Salary component of Partnership Schools set up funding be increased to one year for primary schools and up to five terms or quarters for secondary schools.

- I also intend to extend the Guaranteed Minimum roll (GMR) for future schools.

- These proposals have been developed jointly between the Minister and the Under-Secretary.

Introduction

- The PSKH model extends our menu of options for parents and students by offering greater freedom and flexibility to achieve quality education outcomes. PSKH, in turn, are held accountable by contracts for outcomes.

- We propose that application Round 5 for PSKH focus on STEM schools. If there are no viable and effective applications for STEM Partnership schools, or others of interest, all selected PSKH will continue the current focus on priority learners.

- As rounds four and five will also have longer set-up times than the PSKH opened to date, I also propose that the principal's salary component of the set-up funding for PSKH be extended to be comparable to the set-up funding that state/mainstream schools receive.

Priority for Round 5: Science, Technology, Engineering and Mathematics (STEM)

- International indicators show that New Zealand students' performance in science and mathematics has room for improvement.

- The previous cycles of the Trends in International Mathematics and Science Study (TIMSS) and the Programme for International Student Assessment (PISA) showed decreases in achievement among New Zealand students across most subjects and year levels. The 2015 TIMSS results show that this downward trend in science and maths has stabilised, and students' achievement has generally held steady.

- The most positive change for New Zealand students was in science achievement. There has been a significant increase in the Year 5 achievement score since 2010.

- There has been little change in our maths scores. There has been an increase for Year 5, but these changes were not significant. New Zealand's position relative to other countries has also stayed stable across all three groups.

- We therefore propose that STEM be the focus for PSKH Round 5. Rounds 1-4 have focussed on a student cohort (those that the system has not served well), establishing

8 PSKH with a further 2 opening in 2017, for a total of 10. However, the Education Act 1989 does not restrict PSKH to any particular educational focus or type of learner, and we consider that further rounds should increase choice for parents. We propose to make the greatest use of the flexibilities of the model by providing for different priorities in different rounds, with round 5 being focussed on STEM.

- Selection of STEM-focussed PSKH would require applications that the Partnership School Authorisation Board considers viable and effective. If there are no such applications, or indeed others of interest, the model would continue with its current focus.

Changes to Principal's Salary Component of Establishment Funding and GMR

- We propose amending establishment funding from the current six months of a principal's salary to up to one year for a primary school, and up to five terms/quarters for a secondary school, depending on when they open. This will better align with the longer expected establishment timeframes for Rounds 4-5. It will also make the principal's component more comparable to that of a mainstream school.

- We also intend to increase the Guaranteed Minimum Roll (GMR) in new contracts from one term/quarter to 12 months to provide funding certainty in the critical first year of operation.

- GMR was originally available for three years; it was then reduced to one quarter for rounds three and four. Now it will be one year. This is still a significant reduction from the original three years.

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