



Partnership Schools | Kura Hourua

The Partnership School Model and Options for the Future

Briefing for the Incoming Minister of Education



The Partnership School Model and Options for the Future

The Confidence and Supply Agreement between the National Party and the ACT New Zealand Party agrees that the two parties will “further develop the model and expand the trial of Partnership Schools | Kura Hourua, for the purpose of improving educational outcomes for disadvantaged students. This will include maintaining the momentum and continuity of the initiative by strengthening and enhancing the application and governance processes in order to foster high quality applications and high-performing schools”.

This briefing provides background information for discussion with David Seymour, Undersecretary for Education, in relation to his role with Partnership Schools | Kura Hourua (Partnership Schools). It sets out some options for advancing the commitments made in the Confidence and Supply Agreement.

Partnership Schools: a new approach to getting it right for those students who need extra support to succeed

Partnership Schools are a new type of school in the New Zealand education system, focused on improving educational outcomes for those groups of students whom the system has not served well. This includes Māori, Pasifika, students with special education needs and students from low socio-economic backgrounds. The most significant difference between Partnership Schools and state schools is that they have greater freedom and flexibility to innovate and engage with their students in return for stronger accountability for improving educational outcomes.

Partnership Schools are one of the new approaches to ensure that all young New Zealanders succeed. Many other countries have policies to bring new providers into their education network to raise student achievement. These include charter schools in the United States and academies and free schools in the United Kingdom. There is an emerging body of longitudinal research from overseas that shows well-run, well-led charter schools can successfully lift achievement for learners from minority groups and low socio-economic backgrounds.

There are significant economic and social benefits from Māori, Pasifika, learners with special education needs and learners from low socio-economic backgrounds achieving a level of education that enables them to succeed in the workforce and in life. Without qualifications and skills, young New Zealanders cannot participate successfully in a modern economy. We know that many are not getting the qualifications and skills they need. The economic and social cost of this is high.

Partnership Schools give parents increased choice about the type of school their child attends, and bring a wider range of educational options into the schooling network. We expect that there will be future opportunities to adopt successful and innovative practices from Partnership Schools for use in state schools. We will be looking for examples of innovative ways that these schools engage students in learning or provide pastoral care, and the impact of a more outcomes-focused approach to school accountability.

The Partnership School model

The Partnership School model (the model) aims to bring together the education, business and community sectors to provide new opportunities for students who have not been well served by the existing school system. Sponsors, the organisations who own and govern Partnership Schools, can be from a range of backgrounds. They apply to establish a Partnership School

through a contestable procurement process and, if successful, negotiate a contract with the Crown.

The Partnership School model has four key elements:

- a. **Legislative freedoms.** These include the ability for sponsors to determine their own governance and management structures; use non-registered teachers; use curricula that differ from those compulsory in state schools; and vary hours of instruction and the school year.
- b. **A contractual relationship with the Crown.** The sponsor has a contract with the Crown, managed by the Ministry of Education (the Ministry) on behalf of the Minister of Education (the Minister). The contract establishes a quarterly reporting regime. The underlying principle of the model is that, within the framework of the contract and the legislation, the school is free to adopt its own path towards achieving the agreed objectives.
- c. **Cashed-up funding.** The Partnership Schools funding formula has only a few components and no discretions. The model provides funding that is broadly equivalent to a comparable state school. There is a property component; a base grant; a per student grant; and a flat per student rate for cashed up support. Rates differ for primary and secondary schools. The schools can use their funding in any way they wish as long as they meet their contractual obligations.
- d. **Strict accountability arrangements.** The contract includes a performance management system that sets out targets that cover student achievement, student engagement, student enrolment and financial health (more information on the performance management system can be found in Appendix 1). One percent of funding is at risk if these targets are not met. The Education Review Office (ERO) reviews the schools against the contract and their legislative obligations on a review cycle that is similar to that for new state schools. The educational performance of the schools is also monitored by the Authorisation Board (the Board)¹.

The Board is another unique feature of the model. The Board advises the Minister on the approval of sponsors and on the educational performance of the schools. Chaired by Catherine Isaac, the Board members bring a rich mix of skills and experience in education, business, governance, community development, and the educational needs of government's priority learners (see Appendix 2 for a full list of Board members).

Overview of current Partnership Schools

The first five Partnership Schools opened at the beginning of 2014. A second application round was recently completed, with four more schools approved to open at the beginning of 2015. Below is an overview of the nine schools:

Name	Sponsor	Location	Type	Year Level	Focus	Max. Roll
The Rise UP Academy	The Rise UP Trust	Mangere East, South Auckland	Contributing Primary	1-6	Māori and Pasifika, Christian values	100
South Auckland Middle School	Villa Education Trust	Wattle Downs, South Auckland	Restricted Composite	7-10	Christian values	120
Vanguard	Advance	Albany,	Senior	11-13	Military ethos	192

¹ The Authorisation Board is a statutory body set up under section 158C of the Education Act 1989.

Military School	Training Centres Limited	Rosedale, Auckland	Secondary		and methodology	
Te Kura Hourua O Whangārei Terenga Paraoa	He Puna Marama Charitable Trust	Whangārei	Secondary	7-13	Kaupapa Māori	300
Te Kura Hourua ki Whangaruru	Ngā Parirau Mātauranga Charitable Trust	Whangaruru, Northland	Secondary	9-14	Kaupapa Māori	128
Pacific Advance Senior School	The Pacific Peoples Advancement Trust	Otahuhu, South Auckland	Senior Secondary	11-13	Pasifika	250
Te Kāpehu Whetū (Teina)	He Puna Marama Charitable Trust	Whangārei	Contributing Primary	1-6	Kaupapa Māori	150
Te Kura Māori o Waatea	Manukau Urban Māori Authority	Māngere, South Auckland	Full Primary	1-8	Kaupapa Māori/Steiner approach	200
Middle School West Auckland	Villa Education Trust	West Auckland (TBA)	Restricted Composite	7-10	Christian values	240

These schools offer a range of options that, taken together, cover the full spectrum of schooling from years 1-13. They have close links with early childhood services and tertiary providers as well as other community and social services organisations. They provide a variety of unique educational offerings including kaupapa Māori, Pasifika, Christian, a military ethos, and the Steiner philosophy.

How the model has worked in practice

Almost all of the sponsors are charitable trusts set up by small organisations. So far, the range of diverse sponsors that was envisaged for the model has not eventuated. There is no significant involvement of business or of major iwi organisations. The quality of many applications has not been high, although the best applications from round two showed some improvement from those in round one.

The Partnership Schools currently operating have been conservative in their approach to the freedoms offered. None of them use a different curriculum, although one of the schools opening in 2015 is developing an interesting combination of the Steiner approach and kaupapa Māori within the framework of the New Zealand Curriculum (NZC). The school day and year are similar to those of state schools. There is some use of non-registered teachers, although not usually for core subjects. While the schools have strongly articulated visions and mission statements, they look similar to state schools.

We have received reports from all five of the Partnership Schools for the first and second quarters of 2014. While they report good student progress, it is too early to tell how well the initial five schools are achieving in relation to the performance management system targets. The schools are working to develop their reporting practices, for example, understanding what is involved in reporting on the financial targets in their contracts. We are providing support in this area.

Earlier this year ERO completed readiness reviews for four of the five first round Partnership Schools which found that these schools were well placed to begin operating. ERO will undertake public assurance audits of these schools between October and November 2014.

ERO has recently finalised a readiness report for Te Kura Hourua ki Whangaruru. It states that the school is not yet in a position to operate effectively without substantial further support. This school has had well-publicised difficulties in setting up in terms of delivery of education, declining roll numbers and governance and management tension.

The Ministry has contracted Martin Jenkins and Associates to carry out a formative external evaluation (the evaluation) of the model to be staged over four years. This is designed to add to the assessments from other sources, and to provide a cumulative overview of how the model is developing and whether the desired outcomes are being achieved. The evaluation runs from 2014 to 2017, with a final report due to the Ministry in late 2017, and annual interim reports.

Further developing and strengthening the model

The Confidence and Supply Agreement seeks to enhance the application and governance processes in order to foster high quality applications and high-performing schools. Research² supports this approach, with findings that future school performance is based on how a school starts out. If a school does not start well, it tends to stay a poor performer.

We recommend that efforts to further develop and strengthen the model be focussed in four areas:

- a. attracting strong, capable sponsors with a vision and understanding of what will work to raise student achievement
- b. raising the quality of applications
- c. ensuring successful sponsors have adequate set up time
- d. supporting potential and successful sponsors to develop and maintain excellent schools.

We have already identified that Tertiary Education Institutions (TEIs) have the potential to be strong, capable sponsors. Many already have links to schooling through providing initial teacher education, teacher professional learning and development, secondary/tertiary programmes and research projects. Many also have long track records as capable managers with significant budgets and strong links with industry. Academics within TEIs will be familiar with the latest educational research and theory.

We have previously provided advice on amending the Education Act 1989 to allow TEIs to become sponsors of Partnership Schools. Overseas examples show that such a move could also advance some of the Government's other priorities, such as strengthening the teaching of mathematics, and encouraging more students to consider STEM subjects at tertiary level. We do not know how likely TEIs will be to take up this option.

Other possible sponsors include iwi groups, businesses, and large charitable or non-governmental organisations. While these groups do not have the educational advantages of TEIs, many do have understanding of and connections with priority learners and their families and whānau, which could form the basis of well-targeted educational offerings.

² E.g. "Charter Schools' Growth and Performance" Centre for Research on Educational Outcomes 2013 Stanford, California.

Our experience to date is that more innovative proposals are often poorly developed. We suggest that the model would benefit from a pre-selection period to identify and work with potential sponsors. This will result in stronger proposals and sponsors with the capability to deliver them.

A longer set up period would also strengthen the model, supporting the establishment of schools that are well-placed to provide quality education from their opening day. The nine existing schools have had four to five months from the time contracts are signed until the time they open. New state schools have about twelve months as a minimum. Partnership Schools may have been conservative in their approach to education because of the short time to get established. Negative publicity may also affect how innovative they are prepared to be until they can demonstrate proven results.

Once successful sponsors are chosen, they need to be able to call on ongoing support to develop and maintain high standards of excellence should they need to do so. State schools can call on support from a range of places.

An independent body to provide support

Some overseas jurisdictions have bodies that provide support for the equivalent of Partnership Schools both before and after they have been set up. These bodies are also able to be a voice for the schools on policies and practices that affect them.

For example, the *New Schools Network* (NSN) is an independent charity that provides support to applicants wishing to establish Free Schools in England. The NSN is contracted to the Department for Education, as well as receiving funding from donors. The NSN provides advice and support to prospective applicants and Free Schools in the opening or pre-opening phase, and has responsibility for raising awareness about the policy and increasing the pool of applications. The NSN also brokers corporate and philanthropic support for Free Schools and Academies.

The *New York City Charter School Center* (NYCCSC) is a not-for-profit organisation that provides advice and support to prospective charter schools, as well as ongoing support for approved charter schools (including PLD and advice on compliance). It is funded by donors, which include large philanthropic bodies. The NYCCSC also aims to foster a favourable public policy environment for charter schools.

If such a body were established in New Zealand, it would:

- work with potential sponsors to ensure that they had strong, realistic applications to put forward in any selection rounds
- be a broker between potential and actual sponsors and philanthropic organisations that might wish to support Partnership Schools
- support sponsors in the setting up and ongoing operation of their schools
- be a voice for Partnership Schools on national issues of policy and practice that affect the schools.

In some respects, the body would be similar to the New Zealand School Trustees Association. It would need a small number of staff and the ability to contract other localised support as required. It would potentially need funding through a contract with government as the small number of possible member schools would not support a viable organisation.

The roles outlined above would not be appropriate for either the Ministry of Education or the Authorisation Board. There would be a conflict of interest with the advice and monitoring roles of both. A government department could not take on an advocacy role on issues of policy and

practice. The Authorisation Board is not a body corporate and could not employ staff or let contracts without personal risk to its members.

There are two potential organisational forms of incorporation – a charitable trust or a statutory body. A charitable trust is set up through a trust deed and must have a minimum of two trustees who govern the trust for the benefit of the beneficiaries. Such an organisation could be set up relatively quickly and would be independent of government, whose influence would be through a contract for services³. A statutory body would require legislation and this would take time. The government could, through the legislation, determine the constitution of the governing body and purpose and aims of the body⁴.

Keeping up the momentum

In the Cabinet paper “Further Application Rounds for Establishing New Partnership Schools” (October 2013), Cabinet considered the issue of future rounds. It invited the Minister to report to Cabinet Social Policy Committee on available monitoring information, including the initial results of the evaluation, early in 2015 before confirming round three in Budget 2015; and noted that Round Three would commence, subject to Cabinet approval, with Partnership Schools opening in 2017 [CAB Min (13)39/5 refers].

The Minister’s press release for the round two schools stated “(n)o further rounds are proposed while the evaluation is undertaken”. The new Government may, however, wish to proceed more quickly to expand the model.

We have identified four options for future rounds, depending on the speed with which Ministers wish to implement more Partnership Schools. These are:

1. a post-evaluation option, along the lines of the Minister’s press release. With the evaluation finishing in 2017, further schools could open in 2018. This option provides time to work with potential sponsors; time for the schools to set up; and allows decisions to be informed by the results of the evaluation.
2. an option that follows the Cabinet paper timetable outlined above, with a largely unchanged procurement process, and further schools opening in 2017. This option does not provide time to work with potential sponsors if the schools are to have a year to get established. In 2015 only preliminary information will be available from the evaluation.
3. an option that would change the way the schools are selected. This would have the schools opening at the beginning of 2017, but would have an expression of interest stage followed by intensive work with potential sponsors before a shortened selection process. This option would provide both time to work with sponsors and a reasonable time for establishment, but limited information from the evaluation would be available prior to starting the process in 2015.
4. a high number of schools option. This option would allow a greater number of Partnership Schools by actively targeting private schools to convert and enabling TEIs to sponsor Partnership Schools. For maximum impact, it would need to be coupled with the changed selection process option. It would provide both time to work with sponsors and a reasonable time for establishment, but limited information from the evaluation would be available prior to starting the process in 2015.

³ The New Zealand School Trustees Association is a charitable trust.

⁴ Education New Zealand is an example of a statutory body.

The timing of each option would be as follows:

Option	Budget round	Procurement selection and	Set-up	Opening
1. Post- evaluation option	2016	May-Dec 2016	Jan-Dec 2017	2018
2. Cabinet paper option	2015	May-Dec 2015	Jan-Dec 2016	2017
3. New selection process option	2015	Expression of interest Feb 2015 Work with potential sponsors May-Oct 2015 Selection Feb 2016	March-Dec 2016	2017
4. High number of schools option	2015	Legislative changes in first half of 2015 Expression of interest Feb 2015 Work with potential sponsors May-Oct 2015 Selection Feb 2016	March-Dec 2016	2017

APPENDIX 1

The Performance Management System

The purpose of the performance management system is to focus accountability on a few vital outcomes that are set out in the sponsor's contract with the Crown. Sponsors must also meet other requirements contained in the contract, and legal obligations under general and education law.

Mission-specific goals are optional and are negotiated as part of the contract.

Achievement

Partnership Schools offering secondary provision have measures based on the Government's Better Public Services target of 85% of 18 year olds having NCEA Level 2 or an equivalent in 2017.

Partnership Schools with students in years 1-8 must report against the National Standards or Ngā Whanaketanga Rumaki Māori. They must achieve the system-level targets of 85% of students being at or above the standard in 2017.

Partnership Schools' reports must include achievement data broken down by the priority groups (except where this would breach an individual's privacy).

Schools are also required to have targets that indicate the progress their students are making so that it is possible to see the "value add" that the schools are bringing. As there are no nationally agreed ways of measuring this, schools are required to choose a measurement tool during the contract negotiations.

Engagement

Student engagement is a prerequisite to high student achievement. Therefore, Partnership Schools have specific performance standards around ensuring a high level of attendance and providing a safe physical and emotional environment. Attendance and stand-down, suspension, exclusion and expulsion targets are based on those for decile 3 state schools. Providing a safe physical and emotional environment is measured through an on-line student survey – well-being@school - which is administered by the New Zealand Council for Educational Research.

Enrolment

Partnership Schools are required to have 75% of their roll made up of priority students.

Financial health

Financial management indicators measure the overall financial health of a Partnership School using common business standards. Targets have been set in areas such as operating surplus, working capital ratio, debt/equity ratio, operating cash, and enrolment variance.

APPENDIX 2**Authorisation Board Members**

Catherine Isaac	Chair
John Shewan	Deputy Chair
Dr Margaret Southwick	Member
Dame Iritana Tawhiwhirangi	Member
Terry Bates	Member
John Morris	Member
John Taylor	Member
Sir Toby Curtis	Member