

## **Education Report: Further Advice on Te Pūmanawa o te Wairua Partnership School**

---

### **Recommendations**

---

We recommend that the Minister of Education:

- a. **note** that the Ministry of Education provided you with an Education Report: 'Findings of the Specialist Audit of Te Pūmanawa o te Wairua Partnership School' on 28 May 2015, recommending that you issue the sponsor of Te Pūmanawa o te Wairua, Ngā Parirau Mātauranga Charitable Trust, with a Notice of Intent to Terminate its Partnership School agreement (METIS 921078 refers);
- b. **note** that you asked the Ministry to provide you with advice about the options available under the Agreement at this point (whilst still retaining the option to close the kura); and about the Kura's student profile and the transition requirements for the students to other schools, and the risks of doing so, should the kura close; s 9(2)(h) OIA
- c. **note** that the Ministry advised that [REDACTED] to ensure the students get the best education possible while remaining at the Kura for the rest of the 2015 school year would be by issuing the Trust with a Notice to prepare a Remedial Plan under clause 24.3 of the Agreement. The Remedial Plan would need to address the critical deficiencies identified in the Specialist Audit to ensure first and foremost the students' needs were met;
- d. **note** that many of the Kura's students have previously been excluded from one or more schools, and the Kura has provided them with an opportunity to receive educational qualifications. Retaining the students in this environment might have better long term outcomes for them than being transitioned to other education options;
- e. **note** that Dee-Ann Brown and Wayne Johnstone wrote to you on 12 June 2015 outlining progress since the issuance of the Performance Notice, and steps the Trust was taking to address the Kura's shortcomings (letter attached in Appendix 3);
- f. **note** that the Specialist Audit report was presented to the Board by Hira Gage, the Director of Education Northland, on 17 June along with your letter outlining your concerns;
- g. **note** that the Trust Board's new Chair (Dee-Ann Brown), and its interim CEO (Wayne Johnstone) wrote to you again on 24 June 2015, once it had received a copy of the audit report and your letter of 17 June, outlining steps the Trust was taking to address the matters raised in the audit report, and seeking the opportunity to remedy these in the coming months (attached in Appendix 3).

- h. On receipt of this letter you also asked for advice about the conditions that would be appropriate if you were to choose this option. The Ministry provided you with a draft letter, which incorporated the conditions, and the requirement to produce a Remedial Plan, to the Trust Board (letter attached as Appendix One) as an alternative to the Notice of Intent to Terminate (updated Notice with new Chair, attached as Appendix Two);
- i. **note** that you still have the ability to issue the Notice of Intent to Terminate if you chose to do so; and
- j. **agree** to the release of related documents on the Ministry's website, with appropriate redactions, on a date or dates to be agreed with your Office.

AGREE / NOT AGREE



Katrina Casey  
Deputy Secretary  
Sector Enablement and Support

Encls



Hon Hekia Parata  
Minister of Education

19.7.15

David Seymour  
Under-Secretary to the  
Minister of Education



## **Education Report: Further Advice on Te Pūmanawa o te Wairua Partnership School**

---

### **Purpose of Report**

---

1. This report documents developments since you received earlier advice about Te Pūmanawa o te Wairua on 28 May 2015.
2. This report also summarises the requested advice provided to you since the report on 28 May on the following:
  - a. A full set of options available to you under the agreement, including; negotiated intervention to keep the Kura open, intervention by the Secretary, negotiated termination, retention of the kura and retention of the option to close the kura;
  - b. Profile of the students attending the kura, likely transition arrangements for the students, and the associated risks to their retention in an education setting;
  - c. Further advice about processes and conditions associated with a meeting with the Trust that occurred on 4 July 2015.

### **Background**

---

3. You issued the Trust with a Performance Notice and Intention to Audit on 20 February 2015. The final report of the Specialist Audit, including the ERO parts of the audit was provided to the Ministry on 20 May 2015.
4. The Trust Board's former Chair wrote to the Ministry of Education on 11 May 2015, with an update of actions it had taken to that date.
5. We provided you with an Education Report entitled 'Findings of the Specialist Audit of Te Pūmanawa o te Wairua Partnership School' on 28 May 2015, enclosing a copy of the Audit report. We recommended that you issue the sponsor of Te Pūmanawa o te Wairua, Ngā Parirau Mātauranga Charitable Trust, with a Notice of Intent to Terminate its Partnership School agreement (the notice is attached to this report as Appendix Two).

If issued, this notice would have provided the Trust with ten working days to respond with any reasons why it believed the agreement should not be terminated, for you to consider before making a final decision [METIS 921078 refers].
6. At this time you requested advice about a full set of options available to you under the agreement with the Sponsor including negotiated intervention to keep the Kura open, intervention by the Secretary, negotiated termination, retention of the Kura and retention of the option to close the Kura.
7. You also asked for advice about the profile of the students attending the Kura, likely transition arrangements for the students, and the associated risks to their retention in education if the Kura closed.

8. Wayne Johnstone and Dee-Ann Brown then wrote to you on 12 June 2015 with a further update. This provided information about progress made, including forming an Advisory Group, removing the Education Director, the resignations of the Trust Chair, and the other Trust Board members.
9. It is noted that the Board has taken some critical steps removing Trustees and the Education Director, and bringing in expertise to improve systems at the Kura. Securing support from Ngāti Wai is also seen as an important and significant step.
10. The Audit report was presented to the Board by Hira Gage, Director of Education Northland, on 17 June 2015. You also wrote to the Board on 17 June, and this letter was presented along with the report. The letter advised the Board of your level of concern for the students and that a number of options were open to both parties, including termination, which you asked [REDACTED] to discuss with the Board before any final decision was made. [REDACTED] met with the Board on 19 June 2015.  
[REDACTED] s 9(2)(a) OIA
11. On 24 June 2015 the Trust Board's new Chair and interim CEO wrote to you, advising that the Trust took full responsibility for the failings identified, and outlining some significant action the Board had taken to address these matters, in addition to steps taken since March 2015.
12. That letter proposed that you allow the Kura to remain open for the remainder of 2015 with a comprehensive action plan to be put in place to remedy the Kura's shortcomings. It was proposed that progress be closely monitored, and a second audit be conducted late in 2015 to determine progress. Depending on that audit's findings, the Trust proposed a monitoring programme be implemented for 2016, or exit negotiations take place between yourself and the Trust.
13. After you received this letter, you sought additional advice on the conditions that would be appropriate if this option were chosen. You made it clear the only reason you would consider the proposal from the Trust was concern for the students and given their profile whether or not they had a strong chance of integration into mainstream education part way through the school year, and what the consequences of these students being lost to the system would be.

#### Remedial Plan and Requirements

[REDACTED] s 9(2)(h) OIA

14. When providing additional advice to you it was recommended that [REDACTED] if you wished to provide the requested opportunity to keep the Kura open, was to issue the Trust with a requirement to develop and implement a Remedial Plan under clause 24.3 of the Agreement. This provides you with the option to terminate the Agreement, at your sole discretion, if the Trust:
  - refuses to agree to produce a Remedial Plan to the specified requirements; or
  - fails to submit a Plan by the specified date; or
  - submits a Plan that is not agreeable to you (i.e. is not in line with the specified requirements); or
  - fails to implement the Plan to your satisfaction at any point after you have agreed to it.

15. It was recommended that the progress towards these conditions and against all measures in the original Agreement would need to be measured in a new Specialist Audit to be undertaken in October 2015.
16. The proposal from the Trust, detailed in their letter of 24 June is to develop a plan to completely address the identified issues, with the Kura operating for the remainder of 2015 while these actions are taken.
17. The Trust also proposed that if the failures and breaches are shown by an audit not to be sufficiently addressed, that the Trust will enter into exit negotiations.
18. Given the time lapse since the Performance Notice was issued it was recommended that following be minimum requirements for any Remedial Plan provided by the Trust :
  - a. Appointment, by resolution, of one or more Trustees nominated by you, and at least one with an education focus;
  - b. Appointment, by resolution, of one or more Trustees, and at least one with a recognised financial and business background;
  - c. In consultation with the Ministry of Education, secure and confirm the Kura's new education leader;
  - d. Prepare and present to you a detailed Remedial Plan which must include correcting all the critical deficiencies identified in the Specialist Audit.
19. The Partnership Schools Agreement requires you to issue notice of this requirement in writing, specifying the matters the Plan must address, and specifying the date by which it must be submitted to you for approval. A letter prepared outlining these requirements is attached as Appendix One.
20. The Remedial Plan needs to be SMART<sup>1</sup>, and be submitted to the Ministry by 5pm Friday 17 July.
21. If, following the audit, the Kura is granted the opportunity to remain open in 2016; it should be required to do so on the terms specified by you at the time that the decision is taken.
22. If the audit identifies that the issues have not been adequately addressed, you retain the option of issuing a Notice of Intent to Terminate.

## Impact on Students

### **Risks**

23. The students attending this Kura present the most challenges of all of the Partnership Schools' student populations. Many have been previously excluded from one or more schools in the area, for a variety of reasons. The Kura has provided an opportunity for these students to receive an education.

---

<sup>1</sup> Specific, measurable, achievable, realistic and time-based

24. For example, one has no previous record of formal schooling, and four were last enrolled in a school between 2010 and 2012. Five have a long involvement with Truancy Services and 16 had a stand down history at previous schools. Nine have attended six or more schools.
25. There is no guarantee that all of the students would be able to be successfully placed back into mainstream education or other education options. It would also be challenging for any school or provider to retain these students and keep them engaged in education.
26. The students themselves might feel disenfranchised, with their last perceived option for some level of educational success taken away, potentially being put back into a system from which they were already disengaged. Under these circumstances their opportunity to succeed would be limited.
27. Longitudinally, it could be more successful to support the Kura to provide for these students, with a view to reducing any future liability and costs to the state that might be required as a result of them being lost to education.

#### **Mitigation**

28. If the Kura were to close, the Ministry would develop a plan with each of the students and their whānau, to keep them in education. This could include provision of intensive wrap-around services, to minimise the barriers to a successful transition to other education options and would necessitate additional resourcing.
29. Support options considered for these students, should the Kura close, include RTLB and teacher aide access, and programmes such as Stepping Stones and PEARL. Interagency support would include Police, Youth Mental Health, and CYF.

#### **Risks**

---

30. There are risks associated with the Kura remaining open. These are balanced with the ability to issue a Notice of Intent to Terminate at any time if the Trust is found to not be meeting the requirements of the remedial plan.

However these risks also have to be considered alongside the risk to students if the Kura were to close part way through 2015, given the profile of these students and their history of educational disengagement and non-achievement.

Keeping the Kura open would avoid trying to place these students in other educational options, some of which might have already excluded the Kura's students.

31. Keeping the Kura open will attract further media interest. This is also the case should the Kura be closed and is somewhat mitigated by the ongoing proactive release of documents relating to decision making on this Kura.

## Financial Implications

---

32. The Crown will be liable to make two further quarterly payments of \$412,148 each (excl GST), even if the remediation work is unsuccessful. However should the Kura close, it is likely that considerable expenditure will be required to transition and provide ongoing support to the students. This is no different should the students be in mainstream schooling and fail to achieve.
33. A further audit will likely cost the same as the Specialist Audit already completed: \$75,000 (excl GST).

34.



§ 9(2)(j) OIA

## Consultation

---

35. The Ministry has consulted with its Legal Services team in preparing this report.

## Release of Information

---

36. Due to the high level of public interest, you have previously released the following documents in relation to this matter, in addition to the original application and associated documentation and advice:
- The Ministry's advice leading up to issuance of the Performance Notice
  - The ERO readiness review;
  - The Performance Notice;
  - The Sponsor's PLD and Curriculum Action Plan.
37. It is inevitable that further information requests will be received about this development. It is therefore recommended that you agree to proactively release the following documents, with appropriate redactions, on a date or dates to be agreed with your office:
- This and the previous Education Report [METIS 921078];
  - The Specialist Audit report;
  - The correspondence between you, the Ministry, and the Trust Board;
  - The Remedial Plan if prepared, and/or the termination notice if the Remedial Plan is not prepared or not accepted.

