

Education Report: Setting measures, targets, and reporting requirements for the charter schools Performance Management Framework

To:	Hon David Seymour, Associate Minister of Education		
Cc:	Hon Erica Stanford, Minister of Education		
Date:	14 June 2024	Priority:	Medium
Security Level:	In-Confidence	METIS No:	1329826
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Seen by the Communications Team:	No	Round Robin:	No

Purpose of Report

This report seeks your decisions regarding the performance measures, reporting requirements, and the high-level approach to performance targets to be included in the charter schools Performance Management Framework. These decisions will support development of template contracts to be provided as part of the sponsor application process.

Alignment with Government priorities

The Coalition Agreement between the National party and the ACT party committed to reintroducing partnership schools and introducing a policy to allow state schools to become partnership schools. The charter schools Performance Management Framework is a key component of the charter school model.

Summary

1. The Performance Management Framework (the Framework) is intended to enable intervention when charter schools are not performing well, while also supporting high-performing charter schools to grow and share good practice.
2. The Framework covers three key performance management areas: student outcomes (including attendance and achievement), financial performance and standard minimum compliance. To manage the performance of charter schools across these three key areas, the Framework includes outlining:
 - a. performance measures and the tools used to track these,
 - b. performance targets for charter schools to achieve against these measures,
 - c. reporting requirements, and
 - d. interventions that may be applied if a school does not meet performance targets or its minimum standard compliance measures.

3. We have already provided you with detailed advice on recommended measures and reporting requirements for financial performance management [METIS 1330264 refers]. This report provides you with detailed options and recommendations relating to setting performance measures and tools, performance targets, and reporting requirements for the remaining performance management areas: student outcomes and minimum standard compliance.
4. These decisions will inform the development of the Framework and template contracts to be provided as part of the sponsor application process.
5. We will provide you with further advice about the specific standards and targets that charter schools will need to achieve in alignment with your direction. This advice will also explain how failure to meet standards or comply with contractual or legislative obligations may or may not trigger the intervention framework.

Recommended Actions

The Ministry of Education recommends you:

Key markers for student learning outcomes

- a. **agree** to include the following key markers of long-term student outcomes within the Performance Management Framework:
 - i. Attendance **Agree / Disagree**
 - ii. Reading or pānui for Year 3 to 10 students **Agree / Disagree**
 - iii. Writing or tuhituhi for Year 3 to 10 students **Agree / Disagree**
 - iv. Mathematics or pāngarau for Year 3 to 10 students **Agree / Disagree**
 - v. Qualification attainment for students at Years 11 and above **Agree / Disagree**

Attendance measures

- b. **indicate** which approach you would like to proceed with for measuring and reporting charter school attendance:
 - i. **Option 1:** Charter schools are required in contracts to report daily attendance data in line with the updated regulations.
 - ii. **Option 2:** Charter schools will be required to report attendance data through their contracts in a way that is more flexible with respect to the days and hours of operation or modes of delivery that charter schools may choose to use. **Option 1 / Option 2**

Language of instruction

- c. **agree** that charter schools can instruct and assess reading, writing and mathematics in English, pānui, tuhituhi and pāngarau in te reo Māori or either in New Zealand Sign Language. **Agree / Disagree**
- d. **agree** that, if a sponsor wants their charter school to provide instruction and assess in a language that does not have an approved or appropriate tool, we will work with the school to find a solution during contract negotiations.

Agree / Disagree

Tools to be used for tracking student achievement measures

- e. **agree** that charter school sponsors be required to use an approved tool to measure student outcomes, and that initially these tools will be:

In years 3-10

- i. The Ministry's e-asTTle reading or pānui; writing or tuhituhi; and mathematics or pāngarau;

Agree / Disagree

- ii. The New Zealand Council for Educational Research's Progressive Achievement Tests for reading comprehension and reading vocabulary; Punctuation and Grammar; and Mathematics (English-medium only);

Agree / Disagree

- iii. The Ministry of Education Te Waharoa Ararau tool for monitoring and reporting on student progress and achievement in Pānui, tuhituhi and Pāngarau.

Agree / Disagree

In years 11-13

- iv. NCEA Level 2 attainment or equivalent in an approved qualification

Agree / Disagree

- v. University Entrance (not recommended)

Agree / Disagree

- f. **note** that, following feedback from the Establishment Group, we will undertake further exploration of the MidYis tool, and any alternatives, for tracking progress and attainment for Years 7 to 10.

Agree / Disagree

- g. **note** that the approved set of tools to measure student learning outcomes can be updated over time to reflect developments in tool design and availability.

Noted

Value-added measures

- h. **note** that we are developing a value-added measure for charter schools using existing data, and we will provide you with more detailed advice on the development and implementation of a value-added measure.

Noted

- i. **agree** that, given implementation of a value-add measure will require at least a year of lead-in time, a clause be included in charter school contracts noting that a value-added measure is in development and will be included as part of the Performance Management Framework once the relevant data is available.

Agree / Disagree

Post-school outcomes

- j. **agree** that consent to get school-level data from the Integrated Data Infrastructure is included within charter school contracts, so that analysis on post-school outcomes (e.g., tertiary participation and labour market participation) can be undertaken when data becomes available.

Agree / Disagree

Inclusion of stakeholder voice and experience measures

- k. **indicate** whether you would like to account for stakeholder voice and experience performance measures:

- i. **Option 1:** include stakeholder voice and experience measures as part of the Performance Management Framework
- ii. **Option 2:** do not include in performance management of charter schools.

Option 1 / Option 2

- l. **note** that, should you indicate a preference for Option 1 in recommendation k above, we will provide you with more detailed advice on how this might be included in the Performance Management Framework.

Noted

Standard minimum compliance measures

- m. **note** that charter schools will be required to comply with all existing legislation as well as requirements set out in the Gazette Notice.

Noted

- n. **agree** that, in addition to standard regulatory compliance, the following high-level compliance areas be included in the performance management framework:

- i. Employment of registered teachers and LATs (as per previous decision METIS 1311597 refers)

Agree / Disagree

- ii. Student enrolment requirements (as per previous decision METIS 1322727 refers)

Agree / Disagree

- iii. School day, hours, and term dates requirements

Agree / Disagree

- iv. Reporting requirements

Agree / Disagree

- v. Record keeping and data management

Agree / Disagree

- vi. Cybersecurity

Agree / Disagree

- vii. Emergency preparedness

Agree / Disagree

- viii. Insurance

Agree / Disagree

- ix. Transport provision requirements (if applicable)

Agree / Disagree

- x. Property (if applicable)

Agree / Disagree

Performance targets

- o. **agree** that charter schools will be required to meet targets for performance measures for attendance, student achievement, and financial performance.

Agree / Disagree

- p. **note** that performance targets for attendance measures will be determined once you indicate your preferred approach for how attendance will be measured and reported in recommendation b above.

Noted

- q. **indicate** which high-level approach you would like to proceed with for setting performance targets for financial performance:

- i. **Option 1:** performance targets for student financial performance are standardised across all schools (**Recommended**).
- ii. **Option 2:** performance targets for financial performance measures are tailored to schools or groups of schools to reflect individual circumstances.
- iii. **Option 3:** performance targets for financial performance measures are entirely tailored to each specific charter school and are agreed in contract negotiation (**Not recommended**).

Option 1 / Option 2 / Option 3

- r. **indicate** which high-level approach you would like to proceed with for setting performance targets for student achievement targets:
 - i. **Option 1:** performance targets for student achievement measures are standardised across all schools. (**MAG Recommended**)
 - ii. **Option 2:** performance targets for student achievement measures are tailored to schools or groups of schools to reflect a school's individual circumstances.
 - iii. **Option 3:** a combined approach which sets standardised targets across all schools, as well as individualised baseline targets which accounts for a school's individual circumstances (**Ministry Recommended**).
 - iv. **Option 4:** performance targets for student achievement measures are entirely tailored to each specific charter school and are agreed in contract negotiation (**Not recommended**).

Option 1 / Option 2 / Option 3 / Option 4

- s. **note** that we will provide you with further advice on performance targets based on your preferences identified in recommendations o to r above.

Noted

Reporting

- t. **note** that charter schools will be legislatively required to provide an annual self-audit to the Ministry/Departmental Agency on various components of the Performance Management Framework [METIS 1319872 refers].

Noted

- u. **agree** that, should you agree with recommendation b above, schools will be required to report attendance data daily and termly.

Agree / Disagree

- v. **agree** that student achievement measures be reported on biannually.

Agree / Disagree

- w. **agree** that charter schools be required to report student attendance and achievement data for all students and at the same level of detail which would be expected for State schools, including reporting by gender, year level, ethnicity, etc.

Agree / Disagree

- x. **agree** that contracts will set out requirements that charter schools report annually either on their website or, where this is not possible, through the regional newspaper circulating in the location of the school in respect to all performance measures agreed in contracts.

Agree / Disagree

Engagement with Māori education bodies on the performance management framework

- y. **agree** that, given engagement with Te Matakāhuki on the charter school model is at an early stage, we recommend that further engagement occur before decisions on performance management for kaupapa Māori settings are made.

Agree / Disagree

Proactive Release

- z. **agree** that the Ministry of Education release this paper **in full** once it has been considered by you as part of the subject-specific release on Charter Schools.

Agree / Disagree



Jennifer Fraser
General Manager, Schools Policy
Te Pou Kaupapahere | Policy

14/06/2024

Hon David Seymour
Associate Minister of Education

___/___/___

Proactively Released

Background

6. The Performance Management Framework (the Framework) is intended to enable intervention when charter schools are not performing well, while also supporting high-performing charter schools to grow and share good practice. The Framework includes establishment of performance measures and the tools used to track these, setting targets for charter schools to achieve against these measures, and interventions that may be applied if a school does not meet performance targets, including contract termination should a sponsor breach its obligations.
7. You have indicated that the performance measurement for charter schools should include areas like attendance, student achievement, financial probity, and legislative compliance [METIS 1319872 refers].
8. We have already provided you with detailed advice on recommended measures and reporting requirements for financial performance management [METIS 1330264 refers]. This paper covers the following key areas of the Framework:
 - a. Seeks your agreement to performance measures and tools related to:
 - i. attendance;
 - ii. student achievement; and
 - iii. standard minimum compliance.
 - b. Updates you on ongoing development of a value-added measure and work to utilise detailed data to understand post-school outcomes for charter schools.
 - c. Tests whether measures of stakeholder voice and experience should be included in the Framework.
 - d. Seeks your agreement to the high-level approach for setting performance targets and reporting requirements.
9. You will receive further advice on the remaining components of the Framework in due course. This will include:
 - a. advice on how failure to meet targets connects to the intervention framework;
 - b. detailed advice on specific performance targets once you have indicated your preferred approach; and,
 - c. further advice on the development of a value-added measure.
10. The decisions sought will support development of template contracts to be provided as part of the sponsor application process. This will provide potential sponsors with sufficient knowledge and assurance to engage in these processes and subsequently present robust proposals to the Authorisation Board. All documentation issued via the sponsor application process (and relevant supporting communications) will be clearly caveated, ensuring finalisation of terms is subject to the enactment of the relevant legislation.
11. The Ministry has engaged with the Charter Schools | Kura Hourua Establishment Board (the Board) to inform this advice. Unless otherwise stated, the Board has agreed with most recommendations provided in this paper. The Board's paper on the Framework is attached as Annex 1.

Performance measures for student outcomes

12. We applied the following criteria to identify a shortlist of performance measures for student outcomes we can use with the charter schools that will open next year. We have identified measures that could be included as data becomes available over time.
 - a. **Data represents the outcomes of education we believe to be needed.** A social investment approach is taken to identify the few key markers of progress that make the greatest difference to long-term life outcomes.

- b. **Data is initially able to be easily collected at the school level and repeatable.**
Additional measures that enhance our understanding of outcomes may be added over time.
- c. **Data enables comparisons across schools, but does not overly constrain autonomy.**
- d. **Schools are able to be reasonably held accountable for outcomes.**

Attendance measures

- 13. School attendance is a crucial prerequisite for supporting learning and progress. Unless a student has a blended or distance education programme, students cannot access the curriculum if they are not in school. We are currently updating attendance regulations for all schools. The regulations will require State schools to record attendance data and send data daily to the Ministry.
- 14. We seek your decision on whether charter schools should be required to report attendance data daily and termly in line with the updated attendance regulations and new attendance data rules, or whether you support a more flexible approach to attendance reporting negotiated with sponsors as part of their contracts.
- 15. You could replicate the updated attendance reporting requirements in charter schools' contracts. This would provide us with a deeper understanding of attendance across the system and would enable better comparison of attendance outcomes across State and charter schools.
- 16. However, charter schools do not have the same opening hours, half-day, or term length requirements as State schools. They may also choose to provide education using distance or hybrid modes of delivery. To recognise these differences, you may wish to apply a more flexible approach to attendance reporting by allowing attendance measures to be negotiated within contracts. However, this will make attendance data less comparable or relevant. This would also be administratively more difficult for data collection and management due to differentiating reporting from all other schools.

Reading, writing, and mathematics for Year 3 to 10 students

- 17. We recommend that progress in reading, writing and mathematics or pānui, tuhituhi, and pāngarau are the measures used to assess student achievement for charter schools in the primary sector. We recommend that charter schools are required to use any of the following tools and resources for assessment and aromatawai (assessment of and for learning for those learning in te reo Māori), either:
 - a. e-asTTle
 - b. NZCER Progressive Achievement Tests (PATs for English medium only), or
 - c. Te Waharoa Ararau (for those learning through te reo Māori only).
- 18. Progress in reading, writing and mathematics or pānui, tuhituhi and pāngarau reflect key markers that make the greatest difference to long-term outcomes. Measures for reading, writing and mathematics or pānui, tuhituhi and pāngarau may constrain school autonomy by increasing the focus on these subject areas within the curriculum and teaching practices. However, on balance, we consider outcomes related to reading, writing and mathematics or pānui, tuhituhi and pāngarau as being too important to be left to chance. The Establishment Group recommends that primary schools be assessed on reading, writing and mathematics or pānui, tuhituhi and pāngarau for all students in years 4-6.

19. Although all currently available assessment and aromatawai tools have some limitations, we consider that NZCER PATs and the Ministry owned e-asTTle and Te Waharoa Ararau (for Māori-medium) are the best assessments and aromatawai for use for students in years 3-10. Data from these tools is available at the school-level, provides information about student progress and can be used to show student achievement. As improved tools become available, we will need to be able to adapt and change the approved assessment and aromatawai tools.
20. We note that these tools and resources were not specifically developed with performance management in mind. NZCER have been clear that PATs should not be mandated and are for measuring student progress and reporting to parents. We will need to work closely with NZCER to develop a pragmatic approach if PATs are to be used as part of the Framework.
21. A 2020 analysis of e-asTTle showed that it is valid and reliable, particularly for reading and mathematics.¹ However, the assessments could do with updating and there are some risks relating to the digital platform's stability. A Business Case will be prepared which will seek to enhance the reliability and relevance of these standardised assessments.

There are some limitations for kaupapa Māori and Māori medium schools using e-asTTle and PAT, Te Waharoa Ararau is the main resource for assessment and aromatawai for Māori medium

22. One challenge is that there are fewer tools available in te reo Māori or designed to support assessment and aromatawai in kaupapa Māori settings. PATs are not available in te reo Māori. E-asTTle has assessments in te reo Māori, however, they are not commonly used. Table 1 below shows the usage of e-asTTle assessments among Kaupapa Māori and Māori medium schools across pāngarau, pānui and tuhituhi in 2022.

Table 1: E-asTTle assessment usage among Kaupapa Māori and Māori medium schools across pāngarau, pānui and tuhituhi in 2022

Year	Domain	Number of Schools Using that Domain	All Kaupapa Māori/ Māori Medium Schools	% of Kaupapa Māori/ Māori Medium schools using e-asTTle
2022	Pāngarau	21	326	6.4%
	Pānui	29	326	8.9%
	Tuhituhi	18	326	5.5%

23. E-asTTle assessments in te reo Māori were also found to be less reliable and there are fewer assessment artifacts and less coverage. This leaves Te Waharoa Ararau as the primary resource currently used to measure achievement and progress in te reo Māori, but this has been developed primarily for Māori-medium and has not been developed to support kaupapa Māori, in particular kura kaupapa Māori whose curriculum for learning is aligned to Te Aho Matua. Over time, new assessment and aromatawai tools will need to be developed that address this issue, regardless of if the learning is within charter or State schools, but these tools will not be developed in time for the opening of the first charter schools. We also need to address the particular needs of the kura kaupapa Māori sector. We provide further advice on engagement with Te Matakāhuki at paragraphs 76 to 81 below.

¹ A. Webber (2020), *e-asTTle: Validity, reliability, and representativeness*. Accessed at <https://assets.education.govt.nz/public/Uploads/Appendix-C.pdf>

24. Access to assessment tools in different languages is also likely to be a problem for charter schools that have a focus on Deaf, Pacific, or other identities, languages and cultures. We seek your agreement to work with schools on the most appropriate tools during the application process, should relevant schools apply.

Post-school preparation for secondary-aged students, focused on qualification attainment

25. We recommend that performance management for senior secondary-aged students (in Years 11 and above) is focused on assuring readiness for post-schooling pathways. We consider qualification attainment that is equivalent to NCEA Level 2 to be the best measure, as this is considered the minimum qualification required for entry level jobs and pathways into higher education.
26. These measures are benchmarked to NCEA levels because of national research on the minimum qualification for entry level jobs and pathways into higher education. However, a range of qualifications could be used. For example, existing University Entrance standards set for Cambridge Assessment International Examinations, International Baccalaureate, NZ Certificate in Steiner Education, and New Zealand Christian Education. Universities may also accept a wide range of overseas school-leaver qualifications for admission. Time and resourcing are required to benchmark alternative qualifications charter schools may use against NCEA.
27. We are confident that NCEA, Cambridge Assessment International Examinations, and International Baccalaureate meet these standards. Any alternative qualification that a charter school wants to use may need to be assessed during the application process to guarantee that attaining the qualification will prepare secondary-aged students for life after school. This may include new qualifications designed in the future.
28. We also seek your views on whether to include a performance measure for secondary students related to achievement of University Entrance. On balance, we would not recommend including this measure. Including a measure related to University Entrance may act as a proxy for measuring achievement beyond NCEA Level 2, which is seen as the minimum desired qualification for secondary students.
29. However, we are cautious about a model that uses University Entrance as a proxy for success, given the different pathway options available to students and the negative effects of the academic-vocational binary. Including a University Entrance measure could incentivise charter schools to focus on students most likely to achieve University Entrance, who are often those already well served by the current system. Our ongoing work on post-school outcomes (see paragraphs 35 to 37 below) will provide evidence related to the outcomes of charter schools beyond NCEA Level 2.
30. We also acknowledge that the NCEA Literacy and Numeracy Co-requisites are still being developed further following initial pilots which ran from 2021 to 2023. It is intended that the co-requisite will be implemented from 2026 onwards. You may wish to consider including the NCEA Co-requisites in the Framework once this is available and once further testing has been undertaken. In the meantime, we consider NCEA attainment or attainment of an equivalent qualification are sufficient for inclusion in the Framework. Note Māori-medium and Kaupapa Māori settings currently primarily use NCEA as the qualification for their students.

Participation in large-sample studies, including the Curriculum Insights and Progress Study and international studies such as PISA would require significant work to be a viable performance measure

31. You also requested that schools should be assessed against appropriate and internationally recognised standards as part of the Framework. You agreed that charter schools would be required to participate in these tests when selected as part of normal sampling.
32. However, we do not currently recommend that results in international studies form part of the Framework. International studies are a one-off measure of student knowledge which only samples the achievement of a small cohort of students, rather than giving a wider assurance that students in a school are achieving at expected levels. Participation in CIPS and international studies such as PISA could provide insights into charter school performance, charter schools would need to be over-sampled to gather a sample large enough to be representative.
33. Māori medium and kaupapa Māori kura have had very limited involvement in international studies. This is to do with the newness of the sector and the fact that kaupapa Māori seeks to utilise more traditional practices of child development and learning. There are also practical issues related to the capacity of teachers and kura. For example, there are very limited numbers of trained educators for this sector, and it is very hard to get relievers, so there are not people available to translate and test the international tools and assessment articles. These studies also apply different underlying assessment practise and theory which are important for the robustness of the international study but of very limited immediate benefit to kura and their students.

Establishment Board feedback on performance measurement and tools for student achievement

Application of MidYis as a measurement tool within the Framework needs to be explored further

34. The Board raised potential use of the MidYis tool for tracking progress and attainment for ages 11 to 14 (Years 7 to 10). This is an assessment tool developed by the Cambridge University Centre for Evaluation and Monitoring. We know anecdotally that some schools use this tool for tracking progress and achievement.
35. We currently have limited information about how widely this tool is being used in New Zealand schools, which may affect comparability with other existing assessment tools like e-asTTle. Including MidYis would require administrative and resource implications for data collection at a Ministry level. We also do not own the rights to this tool so there may be some additional work required regarding purchase, ownership, and analysis of data collected that will need to be explored further. It is also likely that this tool would not be available for assessment in te reo Māori or for use in kaupapa Māori settings.
36. We are gathering further information on the MidYis tool, and any alternative tools suitable for the middle years, before finalising advice on its inclusion as an additional tool for tracking progress and attainment for Years 7 to 10 to be used alongside e-asTTle and PATs. We agree with the MAG that a middle years assessment that provides additional detail across a range of measures would be helpful. We have reached out to the New Zealand country manager for Cambridge to meet discuss this and we will provide you with additional advice following this engagement.

We are continuing work on developing a value-added assessment measure, and on data gathering to measure post-school outcomes

37. You have indicated that you wish student progress and the value add of charter schools to be measured as the model matures. A value-added measure (VAM) for charter schools would use statistical modelling to estimate and isolate a school's contribution to student learning from all the other factors that can influence achievement and progress that schools have no control over (e.g., socio-economic background, individual student ability, etc.). This would indicate to what extent the charter school is providing a positive or negative contribution to these students' outcomes. Although VAMs are not currently used in schools at a system level, some basic models are used at individual schools.
38. We can develop a VAM for charter schools using a similar, but distinct, approach to the Equity Index.² It could apply additional variables to get a better picture of a school's 'value-add,' like prior attainment and gender. This data could be held by the Ministry or within the Statistics NZ Integrated Data Infrastructure (IDI).
39. There are different options for how a VAM could work. One option for developing a model could look at one type of variable to assess value-add (e.g. only using prior attainment, or only using school-level characteristics like socio-economic profile). This is the simplest and weakest approach. Alternatively, more complex models which are more robust could be developed, like multi-variate or multi-level models. These types of models account for both student and school-level factors alongside prior attainment. More detailed exploration is required before a final VAM approach can be recommended.
40. We note the Board has referenced the model developed by the New Zealand Initiative as a potential starting point for this work. We will need to do further analysis to assess this model's applicability and what components we can use for a new VAM, and whether there are areas we could improve upon.

There is likely going to be a time lag for implementing a VAM which may require a holding clause in charter school contracts

41. Developing a VAM will require time and resourcing. Privacy and data sharing requirements will also need to be considered and met. If we prioritise the development of a VAM, we may be able to have the methodology and approach agreed ahead of the first charter schools opening in 2025. However, there may be a delay in implementation as the VAM requires charter schools to be open long enough to develop baseline data for meaningful analysis and additional time is required to allow for this data to be imported into the IDI. We will provide you with more detailed advice on the VAM's development and timelines for implementation.
42. Implementation of a VAM as part of the Framework will need at least a year of lead-in time. We recommend including a clause in charter schools' contracts noting that a VAM is in development and that once the relevant data is available, this will be incorporated into the Framework.

There will also be a lag before post-school outcomes for students are available

43. IDI data could also be used to measure the post-school outcomes of students, which could deepen our understanding of charter school performance over time. However,

² The Equity Index currently applies 37 variables that fall into four general categories: Parental socio-economic indicators; Child socio-economic indicators; National background; and transience.

use of the IDI introduces time lags that make this inappropriate for performance management, and changes to these lags will take time to implement. Future changes to the IDI may make it possible to use data as part of performance management in the future, and whether any regulatory changes could enhance our access to data to understand performance.

44. In the meantime, IDI data or data provided through cross-Ministry agreements could still be used to deepen insights on charter school performance once it becomes available. This can enable us to identify the long-term outcomes of students who have studied in charter schools. For example, we could examine post-school destinations, including tertiary participation and completion, and labour market outcomes.
45. IDI output rules currently prohibit users from outputting data describing a single education provider. However, consent to access data could be obtained through the charter school contractual arrangements.

Standard minimum compliance measures will also be included in charter school contracts

46. In addition to the performance measures outlined above for student outcomes and financial performance, standard compliance measures will also be included within the Framework. These compliance measures set baseline contractual requirements for charter schools that may trigger an intervention if these are not met.
47. Note, charter schools will be required to comply with all existing legislation including, but not limited to, the Education and Training Act 2020, the Children’s Act 2014, the Health and Safety at Work Act 2015, Building Act 2004 and more. Charter schools will also be required to operate in accordance with the requirements set in the Gazette Notice.
48. In addition to the standard regulatory compliance noted above, we seek your agreement to the high-level areas of compliance to be included as part of charter schools’ contracts. Additional areas of compliance we recommend be included in contracts are summarised in Table 2 with a brief description and rationale for its inclusion in the Framework.

Table 2: Summary of high-level areas of compliance for inclusion in the performance management framework

Compliance area	Rationale for inclusion
Registered teachers and Limited Authority to Teach	You agreed previously that legislation provide for contracts to specify a minimum percentage of teachers that must be registered and the roles they must hold [METIS 1319517 refers]. This also includes requirements for the number of LATs a charter school may employ. This would enable the Authorisation Board to consider intervention should a charter school not meet its requirements regarding employment of registered teachers and LATs.
Student enrolment	This would enable the Authorisation Board to consider intervention should a charter school not meet its requirement to accept all domestic enrolments as per previous Ministerial decisions, unless they meet any exceptions outlined in legislation [METIS 1322727 refers]. In addition to this, a charter school must protect enrolment for existing students at the school where applicable.

School day, hours and term dates	This would enable the Authorisation Board to consider intervention should a charter school not meet its school day, hours and term dates, as set out in contracts.
Reporting requirements	This would enable the Authorisation Board to consider intervention should a charter school not meet its reporting requirements as set out in contracts. This would include if a school does not adequately report against attendance, student outcomes measures and financial performance measures.
Record keeping and data management	This would enable the Authorisation Board to consider intervention should a charter school not meet its record keeping and data management requirements as set out in contracts.
Cybersecurity	This would enable the Authorisation Board to consider intervention should a charter school not meet its cybersecurity requirements as set out in contracts.
Emergency preparedness	This would require for charter schools to set out emergency preparedness plans and protocols. These plans would need to be assessed to ensure compliance and adequacy.
Insurance	This would enable the Authorisation Board to consider intervention should a charter school not meet its insurance requirements as set out in contracts. This could include indemnity insurance, building and contents insurance, public liability insurance, etc.
Transport provision (if applicable)	If a charter school provides transport services as set out in contracts, this enables the Authorisation Board to consider intervention should a charter school not meet its contractual obligations relating to provision of the service.
Property maintenance fees	This would enable the Authorisation Board to consider intervention should a charter school not meet its approved property maintenance fees requirements.
Property	We note that decisions are yet to be finalised on provision of school property. Where a charter school provides its own property, they would be required to meet any legislative requirements that apply (e.g., Resource Management Act 1991, Building Act 2004, etc.). However, where a State school converts, compliance requirements for Ministry-owned property are necessary to ensure that sponsors are utilising the relevant allocated resourcing to maintain the Crown's asset. Inclusion of property compliance measures for Ministry-owned property within the Framework would allow the Authorisation Board to intervene should the sponsor be non-compliant with set requirements for property management and maintenance within charter school contracts.

49. Should you agree to the high-level compliance areas identified in Table 2 above, we will incorporate your preferences in further advice. This will detail what non-compliance in these areas would look like, and how these interact with the broader intervention framework.

You could include measures of stakeholder voice and experience within the Performance Management Framework for charter schools

50. The Establishment Board has indicated interest in including measures of stakeholder voice and experience as part of the performance management framework. This was included as a compliance measure under the previous Partnership School model which required schools to undertake the Wellbeing@School annual student survey.

The result of the survey was required to be provided to the Ministry along with any action plan to respond to any areas for improvement. We seek your decision on whether this should be included again as part of the Framework or not.

51. Previous Ministry experience in monitoring contract and entity performance has indicated that stakeholder/student experience measures can provide valuable insights about organisational performance. Although these measures are often more subjective and qualitative, they can identify areas of improvement for organisations.
52. If student or family experience is an area that you are interested in including again, we will provide you with further advice on relevant tools (for example, the Wellbeing@School toolkit). We could also provide further advice for inclusion of other measures (for example, staff turnover) that may provide insights about the experience of different stakeholders.

Performance targets could be standardised or tailored to school contexts

53. Along with determining the measures for performance management and the tools which will be used to assess these measures, the Framework will need to set targets to which sponsors will be held accountable against for attendance, student achievement measures, and financial performance.
54. Standard compliance measures do not require performance targets. These are binary measures, where a sponsor's failure to meet standards carries immediate risk to the welfare of students or the operation of the school. Where they are not met it is appropriate for the Authorisation Board to consider appropriate intervention.
55. Performance targets provide minimum expected standards that will evidence a charter school's success, or act as the trigger for intervention if they are not met. Targets could be standardised or tailored to the specific conditions of the charter school. Your decisions about performance targets sit on a spectrum with regard to how consistently targets could be applied across charter schools. The potential approaches to setting performance targets include:
 - a. Applying standardised targets that must be met by all charter schools, or interventions may be applied.
 - b. Targets are arranged across a number of bands, tailored to a school's specific characteristics.
 - c. A combined approach which sets a standardised target across all schools, as well as an individualised baseline performance threshold which accounts for a school's individual circumstances. This baseline threshold would indicate the minimum level of expected performance, below which intervention could be triggered.
 - d. Targets are entirely tailored to each specific charter school and are agreed in contract negotiation.
56. We have outlined below our recommended application of these approaches across the key areas of performance measurement for your consideration.

Standardised targets should be applied for financial performance measures

57. We provided you with detailed advice on recommended measures and reporting requirements for financial performance management [METIS 1330264 refers]. However, we need confirmation of your preferred approach for setting performance targets for the measures you have agreed.
58. We recommend that standardised targets are applied to financial performance measures. We expect all schools to be operating in a financially responsible manner.

Applying standardised financial performance targets also allows for consistency and comparison between schools.

A combined approach for student outcomes measures would balance the need to account for school circumstances, while also setting aspirational targets

59. Any student outcome targets (attendance and student achievement) must balance being both aspirational outlining a desired level of performance, as well as being achievable in a given time. This includes consideration of the different starting points for individual students and schools so that any targets are fair. We know that a school's broader circumstances, like its socio-economic profile, can impact outcomes including attendance, achievement, retention, access to further education, and more.^{3 4 5 6 7}
60. Schools will be held to account against performance targets, and non-compliance or failure to meet targets could trigger intervention. Given these stakes, it is important that performance targets are fair and achievable for schools. For example, Te Aratika Trust has provided feedback that the targets they were expected to achieve under the previous model were unlikely to be achievable within the required timeframes given the starting point of the students they enrolled.
61. With this in mind, we recommend taking a combined approach for setting charter schools' performance targets for attendance and achievement. This approach would incorporate three components:
 - a. Setting a standardised performance target across all charter schools.
 - b. Setting a minimum performance threshold for each school based on factors that reflect a school's characteristics (e.g., using the Equity Index).
 - c. Outlining an expected level of progress for student achievement over time.
62. Figure 1 provides an illustrative example of how this might work using high-level reporting bands that could be determined using the Equity Index. This shows how both a standardised high-level target as well as a minimum performance threshold for student outcomes could be set. This creates 'zones' by which we would expect individual schools with similar circumstances to be performing at.
63. If a school is operating within or above its performance 'zone', this would suggest a school is performing as we would expect or better. Understanding schools operating at or above their performance 'zones' would also help identify schools that could share best practise. However, if a school is performing below its baseline target and it is not making progress beyond its minimum performance threshold over time, then the Authorisation Board could consider intervention.

³ Ministry of Education. (2023). *School attendance report – Term 4, 2023*. Accessed at https://www.educationcounts.govt.nz/data/assets/pdf_file/0004/244435/Term-4-2023-Attendance-Report.pdf

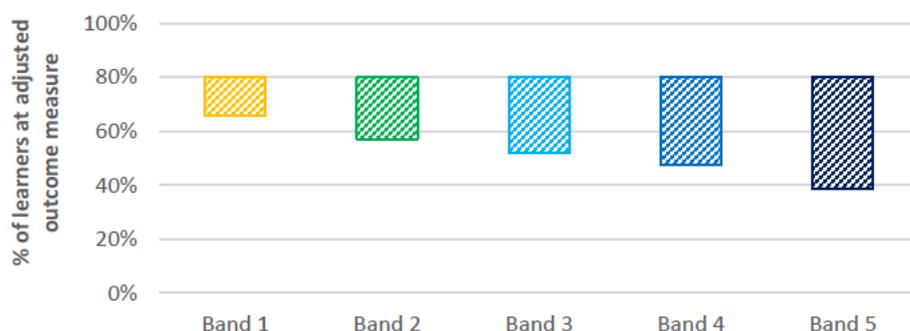
⁴ Ministry of Education. (2023). *PISA 2022: Aotearoa New Zealand Summary Report*. Accessed at: https://www.educationcounts.govt.nz/data/assets/pdf_file/0015/224601/PISA-2022-summary-report.pdf

⁵ Ministry of Education. (2023). *Education Indicators: School leavers with NCEA Level 2 or above*. Accessed at: https://www.educationcounts.govt.nz/data/assets/pdf_file/0018/208071/Indicator-NCEA-Level-2-or-Above-2022_v6_FINAL.pdf

⁶ Ministry of Education. (2023). *Education Indicators: School leaver destinations*. Accessed at: https://www.educationcounts.govt.nz/data/assets/pdf_file/0003/208092/Indicator-SL-destinations-2022_v6_FINAL.pdf

⁷ Ministry of Education. (2023). *Education Indicators: Student retention*. Accessed at: https://www.educationcounts.govt.nz/data/assets/pdf_file/0004/208093/Indicator-Retention-2022_v7.pdf

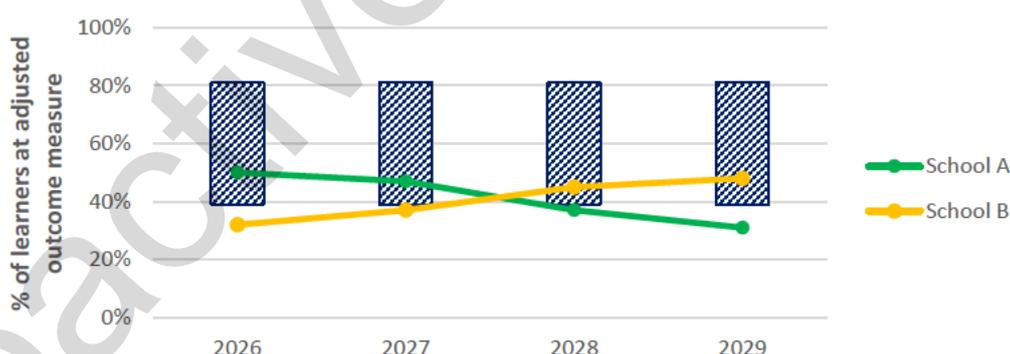
Figure 1: Illustration of proposed performance target approach with standardised targets and baseline performance thresholds based on a school's circumstances



*Bars represent performance 'zones' by which schools within their respective reporting band would be measured against.

64. Alongside the development of these acceptable performance 'zones', we also recommend this be accompanied by an outline of the level of progress we would expect to see schools make over time. We expect charter schools to continually progress towards the standardised target over time. However, where schools show negative or no progress, this could be a trigger for intervention.
65. Figure 2 below shows another simplified illustrative example of how this performance target approach might apply to two schools, both within the same reporting band. We can see while School A is operating within its performance 'zone' at first. However, over time we gradually see a downward trend which might be cause for intervention in the later years. Whereas, School B begins its journey well outside of its performance 'zone' which may signal early intervention with this school, and over time we can see School B progress towards working within its expected performance range, indicating that interventions are no longer required.

Figure 2: Illustration of proposed performance target approach – tracking progress over time



66. We consider that this combined approach provides a more equitable and way of setting performance targets for measuring attendance and student achievement.
67. Please note, setting targets for attendance will be dependent on your preferred approach to measuring attendance (see paras 13 to 16 above). Should you agree that attendance measures be more flexibly negotiated in contracts to recognise different days and hours of operation or modes of delivery, then targets for attendance would need to be tailored to each specific school to reflect these differences. This will make comparisons across sectors difficult.

Establishment Board feedback on performance targets

68. The Board has recommended that performance targets for student achievement be standardised across all charter schools. However, as mentioned above, we consider that it would be more equitable to set both standardised charter school targets alongside a baseline performance target which considers their broader school characteristics and socio-economic profile.
69. Based on your preferences indicated in this paper, we will develop more detailed advice seeking your agreement on what performance targets should be before contract negotiation begins.

In addition to the agreed annual self-audit, there are decisions pending on additional reporting as part of the Performance Management Framework

One additional reporting milestone set in contracts would help us to understand important performance trends for charter schools throughout the year

70. You have previously agreed that legislation set out a minimum requirement for charter schools to provide an annual self-audit against various components of the Framework [METIS 1319872 refers]. In addition to this baseline requirement, we seek further decisions from you regarding reporting regularity for each of the performance management areas. We consider that in some cases, additional reporting milestones could be included in charter schools' contracts to reinforce the Framework.
71. We recognise the importance of balancing administrative burden for schools with the need for assurance of charter schools' performance. However, for attendance, student achievement, and financial performance measures would benefit from further reporting milestones throughout the year. Table 3 below provides a summary of recommended reporting requirements for each performance management area.

Table 3: Proposed reporting schedule for charter schools' performance management

Performance management area	Recommended reporting frequency
Attendance	<p>Daily and termly reporting (including annual self-audit)</p> <p>Should you agree to apply the updated attendance regulations, attendance reporting will replicate the existing requirements set out in regulations. We note that this may require charter schools to use a sufficient Student Management System.</p> <p>However, should you agree to a more flexible approach where attendance measures can be negotiated in contracts, reporting frequency may need to be considered on a case-by-case basis. However, where possible, we recommend as much alignment in reporting for attendance as possible.</p>
Student achievement	<p>Biannual reporting</p> <p><i>Once as part of the annual self-audit, and one more reporting milestone later in the year</i></p> <p>One additional reporting milestone for student achievement measures would provide the Departmental Agency with an additional datapoint by which performance trends can be monitored throughout the school year. This would enable contract managers to identify and address potential</p>

	risks more effectively, while also identifying where schools have made significant progress throughout the year.
Financial performance measures	<p>Biannual reporting</p> <p><i>Once as part of the annual self-audit, and one more reporting milestone later in the year as agreed in METIS 133026</i></p> <p>You have agreed to one additional financial reporting milestone with lighter requirements (e.g., the second reporting milestone against financial measures does not require external audits, only sponsor certification).</p>
Standard minimum compliance	<p>Once a year as part of the annual self-audit process</p> <p>We consider that the standard minimum compliance measures could be assessed once a year.</p>

72. Depending on your preferred reporting requirements for charter schools, we will include this as part of charter school contracts alongside the legislated self-audit.

Required detail for reporting on student outcomes measures needs to be agreed

73. There are also decisions remaining on the level at which student outcomes measures for attendance and achievement are reported at. For example, the Framework could require schools to report student achievement but only for specific year levels.
74. We recommend that charter schools be required to report this data for all students at the school and at the same level of detail which would be expected for State schools. This would include reporting against gender, year level, ethnicity etc.

Reporting to the public can strengthen charter school accountability to communities

75. In addition to the reporting recommendations set out above, we also recommend charter schools report publicly (primarily on their website, or where this is not possible through the regional newspaper circulating in the location of the school) in respect to all performance measures agreed in contracts for the previous year. This approach aligns with State schools' annual reporting requirements under section 136 of the Education and Training Act 2020. It also aligns with previous requirements set under the Partnership Schools model.
76. Requiring charter schools to report publicly provides transparency and ensures communities are informed about the progress and performance of their local charter school. This can support whānau and communities to make fully formed decisions about school choice, and this also provides an additional layer of accountability to the local community.

Engagement with Kaupapa Māori education bodies

77. Decisions on performance management settings for charter schools will need to consider how this might be applied to the kaupapa Māori Education sector. It is possible kura kaupapa Māori and those delivering through te reo Māori may require different settings for performance management should they choose to be a part of the charter school model, particularly in relation to achievement given the current limitations with assessment tools.
78. We note that these limitations for tools regarding assessment and aromatawai for kaupapa Māori and schools delivering through te reo Māori will be present across both State and charter school sectors. Given Minister Stanford's priorities for the future of assessment for State schools, we recommend that further work on developing

assessment and aromatawai tools for use within kaupapa Māori settings be incorporated and progressed into this broader work programme. Minister Stanford has agreed to meet with Māori education providers to understand their needs and interests before any decisions are made on assessment and aromatawai options. Any tools developed should be considered as part of future charter schools performance management for kura at an appropriate time.

79. Other system data is available and could be used as alternative performance measures until a sound set of tools are available – for example stand downs, suspensions and expulsion, or detailed reporting under Tauawhi Tamariki, a comprehensive holistic student and whānau support approach used in Kura Aho Matua (also in an early development) but is something that they are designing for themselves.
80. We note that engagement with Te Matakāhuki on the model, has been positive but is at an early stage and members have not indicated an interest in joining the model at this stage. We recommend that further engagement occur with Te Matakāhuki at a Ministerial level before further decisions are made. We will provide you with further advice to support ongoing engagement with Te Matakāhuki.
81. Additionally, we recommend any work on charter school performance management in kaupapa Māori settings be deferred until kaupapa Māori education groups indicate this as a priority for further development and ongoing engagement.
82. Working closely with kaupapa Māori groups to develop performance standards for charter schools would align with the approach taken for Ngā Whanaketanga Rumaki Māori | National Standards for Māori-medium education. This was developed by leaders in the kaupapa Māori Education movement and described the kōrero (oral language), pānui (reading), tuhituhi (writing), and pāngarau (mathematics) needed for learners to stay engaged and to achieve at school. This also aligns with concepts of indigenous data sovereignty that recognises Indigenous Peoples have inherent rights and responsibilities to indigenous data.

Next Steps

83. We will develop more detailed advice about the specific standards and targets that charter schools will need to achieve in alignment with your direction. This advice will also explain how failure to meet standards or comply with contractual or legislative obligations may or may not trigger the intervention framework.

Annexes

The following are annexed to this paper:

- Annex 1: Charter School | Kura Hourua Establishment Board recommendations on the Performance Management Framework

Proactively Released

Memo

To: 9(2)(a) and Renee Kelly

From: The Ministry Advisory Group / Establishment Board: Justine Mahon (Chair), Glen Denham, John Fiso, Nina Hood, Neil Paviour-Smith, Elizabeth Rata, Ropata Taylor, Doran Wyatt

Date: 20 May 2024

Subject: Performance Management Framework for Charter Schools | Kura Hourua

Purpose

This memo is a summary of the Academic and Student Welfare recommendations in a Performance Management Framework for Charter Schools | Kura Hourua from the Ministry Advisory Group on Charter Schools.

Charter Schools' Performance Management Framework

Introduction

The Performance Management Framework sets out recommendations to the Minister regarding Charter Schools' obligations.

There are strong connections between the advice on a Performance Management Framework and Hon Erica Stanford, the Minister of Education's priorities for education, including implementing consistent modes of monitoring student progression and achievement and using high-performing data and evidence to inform decision-making.

The performance measures for educational outcomes, and financial and organisational performance measures, will work alongside an intervention framework.

Charter School quality will be assured through contractual obligation and targets will be determined in detail, in these contracts. While the purpose or character of each Charter School may be different and such schools may demonstrate that their students benefit from the specific character, it is essential that all students are prepared for entry into employment and the wider NZ society.

Criteria for Performance Measures

Data

- Data will be used to measure the contractually required levels of performance and achievement

- Allowing the identification of individual schools in the IDI, would enable meaningful data to be collected. This can be achieved by revising rule 5.14.2 of Statistics NZ's Microdata Output Guide; reinterpretation of the Memorandum of Understanding and the Statistics Act 1975: or amendments to the Act
- Data will enable schools to be held accountable for contractual obligations regarding performance and achievement
- Consent to access data will be obtained through the Charter School contractual arrangement
- Data will be collected at the school level and continuing provision of data is required
- Quantitative data is required for all Charter Schools and the Authorization Board should seek the advice of Charles Darr, head of NZCER's psychometric team
- Additional data collection methods will be added as improved measurement tools are developed
- Data will be collected that enables comparisons across all types of schools nationally and internationally. Advice will be sought from head of NZCER's psychometric team.
- Data will deepen our understanding of Charter School performance over time and will support analysis of the return on investment compared to other school types
- Decisions on how often Charter Schools are required to report on data and the nature of such reporting e.g. which year levels are to be reported on, will be detailed in individual contracts and will depend on the year levels offered in that particular Charter School
- As the Charter School movement progresses, data should be collected from student cohorts to identify their post school destinations, including tertiary participation and completion and labour market outcomes. Such data must be subject to verification.

Attendance

- Charter schools are not required to have the same opening hours, half –day, or term length requirements, as State schools. They may also choose to provide education using distance or hybrid modes of delivery
- Charter Schools will be required to report attendance data in compliance with contractual obligations
- Attendance in Charter Schools will be measured by recording a student's presence in class, or participation in online activity, or recording time spent by time spent by the student on allocated tasks.

Student Welfare

- Charter Schools must adhere to all New Zealand legislation in regard to student welfare (e.g Health & Safety Act, Privacy Act, Harmful Digital Communications Act, The Children's Act...not an exhaustive list)
- All Charter Schools must have clear policies and procedures in regard to all legislation pertaining to student welfare and be able to demonstrate that these are adhered to
- Such accountability will be monitored by the Education Review Office and the appropriate measures specified in the Charter School contract.

Academic Progress Measurement

- It is important to include key markers of long-term student outcomes within the performance management framework. Key markers must be identified in each school's contract.
- Targets should be standardized for all schools unless specified otherwise in individual contracts
- The approved set of tools to measure student outcomes should be updated over time to reflect developments in tool design and availability
- Charter Schools can instruct and assess reading, writing and mathematics in any official language
- If a sponsor wants their Charter School to provide instruction and assess in a language that does not have an approved or appropriate tool, then the parties will work together to find a solution during contract negotiations.

Charter Schools in the Primary Sector

- Reading, writing and mathematics will be measured in primary schools, annually in Years 4,5, and 6, because they are essential requirements for participation in modern society, further education and labour market success
- Summative assessment tools are essential to measure achievement, progress and value-added attainment. PATS for the measurement of progress in reading comprehension and reading vocabulary, punctuation and grammar,-and mathematics, can serve this purpose until a better tool is located nationally or internationally
- e-asTTle, although in need of renovation, has, nonetheless, shown that it is valid, reliable, and representative and must be used to measure progress in writing until a more reliable tool is located nationally or internationally

- Bi-lingual schools can include the Ministry of Education Te Waha Ararau tool for monitoring and reporting on student progress and achievement in Te Reo Matatini and Pangarau. Other appropriate tools, which are approved in consultation with the Authorization Board, may be used in Charter Schools offering immersion in a language other than Te Reo or English.

Charter Schools in the Secondary Sector

- Progressive monitoring such as PAT tests and Midysis, is required in the Junior Secondary Years, viz Years 7-10.
- In Years 11-13, the TEC tool (adult numeracy and literacy measurement) is required as a progressive measurement
- Charter schools will be required to include qualifications that prepare students for entry level jobs and pathways into higher education. The qualifications may include, for example, Cambridge Assessment International Examinations, the International Baccalaureate, NCEA and appropriate qualifications designed in the future, in consultation with the Authorization Board.

English as a compulsory subject in Charter Schools

- Although English is not a compulsory subject for Charter Schools, these schools must participate in progression-based assessments and demonstrate that they are preparing students for further education, employment, and participation in New Zealand society.

Value-added Measurement

- The-contextualized value-added measurement tool, built by Joel Hernandez, should be developed further for all Charter Schools. This open-sourced school performance tool is currently able to identify how much each secondary school contributes to its students after separating the contribution of each student's family socioeconomic background
- Any further development of this school performance tool in the IDI, by the Ministry of Education should be made open-sourced.
- Value-added measurement tools would analyse the impact that an individual Charter School has on student performance and achievement, by comparing the performance and achievement of the students and the Charter School with a similar state school
- Given current data availability limitations related to primary school outcomes, further data analysis and testing will be required to establish how such primary school outcomes might best be accounted for through a value-added measure. This value-added measure will be strengthened by requiring schools to use standardised assessments.

Stakeholder feedback

- This will be sought as specified in the individual Charter School contract.

End