



**Charter School  
Agency**

## Briefing: Approving the Charter School Agency's Measures for Estimates of Appropriations

To:	Hon David Seymour, Associate Minister of Education		
Cc:	Choose an item.		
Date:	4/02/2025	Deadline:	12/02/2025
Security Level:	In-Confidence	Priority:	High
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Drafter:	Pravin Thayaparan	METIS No:	1342177

### Why are we sending this to you?

As the responsible Minister for the Charter School Agency, we seek your approval of performance information for the Estimates of Appropriations.

### What action do we need, by when?

Note the Charter School Agency's interim strategic framework (Annex 1), and approve the proposed Estimates measures for the Charter Schools | Kura Hourua Multi Category Appropriation (MCA) and Capital Expenditure appropriation (Annex 2)

**Please return the signed paper by February 12, 2025.**

## Background

1. Under the Public Finance Act 1989, the Charter School Agency (CSA) is required to contribute to the Estimates of Appropriations process annually.
2. As part of this year's Estimates process, CSA needs to develop new service performance measures (Estimates measures) to show the outputs and impacts of CSA's services including budget standards, and intention statements for its Appropriations and categories in Vote Education for both Supplementary Estimates of Appropriations 2024/25 and the Main Estimates of Appropriations 2025/26.
3. CSA has taken early feedback on its proposed measures from the Vote Education Auditors (Ernst Young) and the Office of the Auditor General.
4. All Estimates measures are to be reported in the Statement of Service Performance as part of future CSA annual reports.

## Performance Measurement at the Charter School Agency

5. The Public Service Act 2020 requires CSA to operate within the strategic and policy framework of the Ministry of Education (as host department). CSA's strategic intentions are provided as an annex in the [Ministry of Education's Strategic Intentions 2025-2029](#).
6. An interim CSA strategic framework is provided (Annex 1). This framework integrates with the Ministry of Education's strategic and policy framework and shows how CSA's outputs, strategic priorities and impacts contribute to improving educational outcomes. The framework provides context for where CSA's Estimates measures sit and how CSA contributes to the education sector and the achievement of Government priorities.
7. The Estimates measures being proposed in (Annex 2) are aligned to the CSA's core outputs in Board and Ministerial Servicing, Applications and Contracting and Performance and Monitoring.
8. CSA annual reports will include approved measures, along with impact stories and case studies to show the charter school model's contribution to improving educational outcomes.

## Estimates Measures

9. The Charter Schools | Kura Hourua Multicategory Appropriation (MCA) includes the following categories:
  - I. Resourcing and Oversight of Charter Schools
  - II. Charter Schools (Primary Education)
  - III. Charter Schools (Secondary Education)
  - IV. Charter Schools Authorisation Board
  - V. Charter Schools on Sponsor-owned Property
10. The Charter School Agency's Capital Expenditure is a separate appropriation.
11. The Ministry of Education is currently drafting a paper to close the *Charter Schools on Sponsor-owned Property* category (above) and transfer any funding to the applicable category within the Charter Schools | Kura Hourua Multicategory Appropriation. If this is approved, no performance measures would be needed for this category. This paper is currently expected to go to Joint Ministers in early February 2025.

12. For the Charter Schools | Kura Hourua MCA a few overarching measures are needed. CSA must also introduce at least one to two measures for each category. The measures being proposed in (annex 1) will highlight the focus during the establishment of CSA, including Ministerial satisfaction and number of sponsor contracts signed.
13. Impact measures on attendance and achievement will sit within the “Resourcing and Oversight of Charter Schools” category where it is most appropriate and best fits to align with CSA’s performance and monitoring function.
14. To show progress in attendance and achievement, CSA is proposing to show the progress of each charter school by introducing at the portfolio level:
  - 14.1. a measure of all charter schools that have met their *minimum performance threshold* per their Schooling Equity Index (EQI) band. The average number of schools that have met the required minimum performance threshold is then reported as percentage as part of the Statement of Service Performance.
  - 14.2. a measure of all charter schools that have *maintained or improved their achievement and attendance* results compared to the previous years. The percentage of schools that have met this expectation is then reported as an Estimates measure in the Statement of Service Performance. This measure could be introduced in 2025/26 where the baseline is set.
15. Because impact measures are contained in the “Resourcing and Oversight” category, we have included a financial/timeliness measure on sponsors being paid per contractual terms for the Charter Schools (Primary Education) and (Secondary Education) non-departmental categories.
16. The measures proposed in (annex 2) will be reviewed during the next (2026/27) Estimates process as the Agency matures and charter schools are established and operational.

## Next Steps

17. Following your feedback and approval, CSA will inform the Ministry of Education who will then seek endorsement from the Minister of Education for all Vote Education.

## Annexes

The following are annexed to this paper:

- Annex 1: [ANNEX 1, METIS 1342177: Interim Strategic Framework]
- Annex 2: [ANNEX 2, METIS 1342177: Proposed Estimates Measures for the Charter School Agency]

## Recommended Actions

The Charter School Agency recommends you:

- a. **note** the interim strategic framework for the Charter School Agency (annex 1)
- b. **approve** the proposed Estimates measures in (annex 2) for the Charter Schools | Kura Hourua Multi Category Appropriation (MCA) and Capital Expenditure appropriation

Noted

Approved / Not approved

### Proactive Release:

- c. **agree** that the Ministry of Education release this paper post Budget Day (22 May 2025) after Vote Education is publicly available

Agree / Disagree

Duane McKibben

**Head of Business Strategy and Services**

**Charter School Agency**

3 February 2025



Hon David Seymour

**Associate Minister of Education**

22/25

Our work contributes to Education sector and system priorities

# Our strategic framework

## OUR VISION

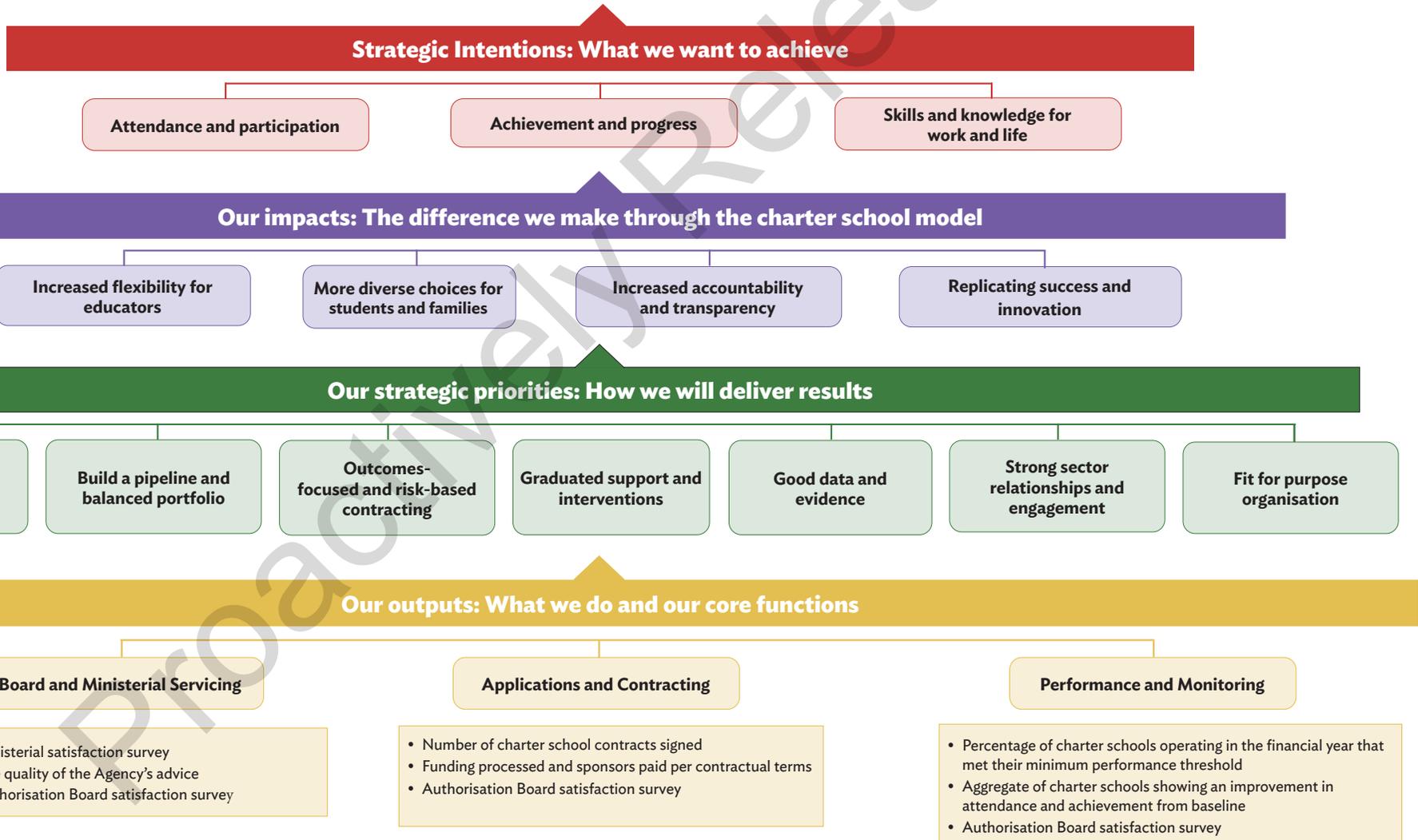
Every child has the opportunity to learn, grow and succeed for a better New Zealand.

**The outcome we seek**

# Improved educational outcomes

## OUR MISSION

To improve educational outcomes by implementing and operating the model for charter schools | kura hourua.



Indicators for success (Estimates of Appropriations: Service Performance Measures)

## Annex 2: Proposed Estimates Measures for the Charter School Agency (Non-Financial Performance Information Required for the Estimates of Appropriations)

### Vote Education:

#### Appropriation: Charter Schools | Kura Hourua (MCA)

##### Overarching Purpose Statement

The single overarching purpose of this appropriation is to implement, support, monitor and fund charter schools | kura hourua for delivery of education to enrolled school students in Years 0 to 13.

##### Categories:

###### Departmental Output Expenses

###### Resourcing and Oversight of Charter Schools

This category is limited to expense incurred on operational policies and service relating to selecting and supporting the establishment of charter schools, managing their resourcing, monitoring their performance, and related administrative oversight activities.

###### Non-Departmental Output Expenses

###### Charter Schools (Primary Education)

This category is limited to providing charter schools | kura hourua with roll-based operational funding and supplementary funding programmes to enable the delivery of education to students enrolled in Years 0 to 8.

###### Charter Schools (Secondary Education)

This category is limited to providing charter schools | kura hourua with roll-based operational funding and supplementary funding programmes to enable the delivery of education to students enrolled in Years 9 to 13.

###### Charter Schools Authorisation Board

This category is limited to expenses incurred by the Authorisation Board related to considering and approving applications to operate charter schools | kura hourua, and oversight of their performance and monitoring compliance with contractual legislative requirements.

###### Charter Schools on Sponsor-Owned Property - This category is likely to be removed.

This category is limited to providing funding to sponsors of charter schools occupying sponsor-owned property for capital upgrades, including modernisation, of their existing school property and facilities as well as any agreed expansion.

#### Appropriation: Charter Schools Agency Capital Expenditure PLA (Departmental)

##### Scope Statement:

This appropriation is limited to the purchase or development of assets by and for the use of the Charter Schools Agency, as authorised by section 24(1) of the Public Finance Act 1989.

**Proposed Estimates Measures for the Charter School Agency**

Appropriation or Category	Proposed Intention Statement	Proposed New Service Performance Measure	Budget Standard 2024/25	Budget Standard 2025/26	Contextual Note	Disclosure Statement	Type of Measure
Charter Schools   Kura Hourua  <i>Appropriation</i>          <i>(Overarching measures)</i>	This appropriation is intended to establish, operate and monitor the performance of charter schools   kura hourua in New Zealand.	Satisfaction of the portfolio Minister with the advice and services	4	4	<b>Contextual note:</b> Ministerial satisfaction is measured using a survey with a range of evaluative questions. This is based on a five-point scale with where 1 means unsatisfied and 5 means extremely satisfied. This measures the quality of the agency's advice and services provided to the Minister.	This is a new measure added for 2024/25.	Quality
		The quality of the Agency's advice (as assessed annually using the policy project guidelines)	3.5	3.5	<b>Contextual note:</b> This is an average of the assessment of the quality of the advice papers provided by the Agency. Based on a five-point scale: 1 = Unacceptable; 2 = Poor; 3 = Acceptable; 4 = Good; 5 = Outstanding.	This is a new measure added for 2024/25.	Quality
		Total number of charter school (sponsor) contracts signed	10	35-50	<b>Contextual note:</b> The agency has a goal of delivering up to 50 charter schools by December 2026 depending on demand and suitability.	This is a new measure added for 2024/25.	Quantity
Resourcing and Oversight of Charter Schools	This category is intended to achieve resourcing and oversight of charter schools including applications, contracting, performance, and monitoring of the charter schools. The Charter School Agency was established in July 2024 and initially focused on establishing charter schools in 2025 and 2026.	Percentage of Charter Schools operating in the financial year that met their minimum performance threshold for attendance	80-100%	80-100%	<b>Contextual note:</b> Each charter school has its own minimum performance threshold per their EQI group. This measure is an average of the portfolio of charter schools operating that have met their minimum performance threshold for attendance.  This measure is a placeholder. Progress made on standardised attendance targets will be reported once schools are operational and baseline data is available from 2026.	This is a new measure added for 2024/25.	Quantity  Note this is also an outcome measure
		Percentage of Charter Schools in the financial year that met their minimum performance threshold for achievement	80-100%	80-100%	<b>Contextual note:</b> Each charter school has its own minimum performance threshold per their EQI group. This measure is an average of the number of charter schools operating that have met their minimum performance threshold for achievement.  This measure is a placeholder. Progress made on standardised achievement targets will be reported once schools are operational and baseline data is available from 2026.	This is a new measure added for 2024/25.	Quantity  Note this is also an outcome measure

Appropriation or Category	Proposed Intention Statement	Proposed New Service Performance Measure	Budget Standard 2024/25	Budget Standard 2025/26	Contextual Note	Disclosure Statement	Type of Measure
		Percentage of Charter Schools in the portfolio maintaining or improving their student attendance rates	N/A	Baseline Year  then 80%-100%	<p><b>Contextual note:</b>            This measure, looks at each charter school in the agency's portfolio and compares attendance rates to the previous year at a school level then averages the number of charter schools who have maintained or improved their attendance rates across the portfolio.</p> <p>We expect student attendance at charter schools to be maintained and/or improved from the previous financial year after establishing the baseline in 2025/26.</p> <p>Through this measure, charter schools are contributing to broader Government targets relating to education sector and system outcomes for attendance and achievement.</p>	This is a new measure added for 2025/26.	Quantity  Note this is also an outcome measure
		Percentage of Charter Schools in the portfolio maintaining or improving their student achievement rates	N/A	Baseline Year  then 80%-100%	<p><b>Contextual note:</b>            This measure, looks at each charter school in the agency's portfolio and compares achievement rates to the previous year at a school level then averages the number of charter schools who have maintained or improved their attendance rates across the portfolio.</p> <p>We expect student achievement at charter schools to be maintained and/or improved from the previous financial year after establishing the baseline in 2025/26.</p> <p>Through this measure, charter schools are contributing to broader Government targets relating to education sector and system outcomes for attendance and achievement.</p>	This is a new measure added for 2025/26.	Quantity  Note this is also an outcome measure

Proactively

Appropriation or Category	Proposed Intention Statement	Proposed New Service Performance Measure	Budget Standard 2024/25	Budget Standard 2025/26	Contextual Note	Disclosure Statement	Type of Measure
Charter Schools (Primary Education)	This category is intended to achieve operational and other school funding to enable the delivery of education to charter school students enrolled in Years 0 to 8 and allow them to succeed. The Charter School Agency was established in July 2024 and initially focused on establishing charter schools in 2025 and 2026.	Percentage of charter school (Primary Education) sponsors whose funding was processed and paid out in line with their contractual terms	100%	100%	<p><b>Contextual note:</b>            The application and funding assessment process for each sponsor has its own criteria and timeframes within their contract. Some Charter Schools will include students across various year groups so some overlap between Primary and Secondary year groups is possible.</p> <p>Note: this Category is solely for roll-based operational funding and supplementary funding programmes to enable the delivery of education to Charter School students and this measure relates to the delivery of funding to sponsors. Measures on student achievement and attendance can be found in the "Resourcing and Oversight of Charter Schools" category and in the narrative section of the Charter School Agency Annual Report.</p>	This is a new measure added for 2024/25.	Quantity & Timeliness
Charter Schools (Secondary Education)	This category is intended to achieve operational and other school funding to enable the delivery of education to charter school students enrolled in Years 9 to 13 and allow them to succeed. The Charter School Agency was established in July 2024 and initially focused on establishing charter schools in 2025 and 2026.	Percentage of charter school (Secondary Education) sponsors whose funding was processed and paid out in line with their contractual terms	100%	100%	<p><b>Contextual note:</b>            The application and funding assessment process for each sponsor has its own criteria and timeframes within their contract. Some charter schools will include students across various year groups so some overlap between Primary and Secondary year groups is possible.</p> <p>Note: this Category is solely for roll-based operational funding and supplementary funding programmes to enable the delivery of education to charter school students and this measure relates to the delivery of funding to sponsors. Measures on student achievement and attendance can be found in the "Resourcing and Oversight of Charter Schools" category and in the narrative section of the Charter School Agency Annual Report.</p>	This is a new measure added for 2024/25.	Quantity & Timeliness
Charter Schools Authorisation Board	This category is intended to achieve successful operation of the Authorisation Board to deliver on its functions.	Satisfaction of the Authorisation Board chair on sponsor application and approval process by the Charter School Agency	4	4	<p><b>Contextual note:</b>            The Charter School Authorisation Board receives support on approving applications by the Charter School Agency. The quality of this support is measured using a satisfaction rating survey with a range of questions. This is based on a five-point scale where 1 means unsatisfied and 5 means extremely satisfied.</p>	This is a new measure added for 2024/25.	Quality
		Satisfaction of the Authorisation Board chair on the secretarial support and general advice provided by the Charter School Agency	4	4	<p><b>Contextual note:</b>            The Charter School Authorisation Board receives secretarial support and general advice from the Charter School Agency. The quality of this support is measured using a satisfaction rating survey with a range of questions. This is based on a five-point scale where 1 means unsatisfied and 5 means extremely satisfied.</p>	This is a new measure added for 2024/25.	Quality

Appropriation or Category	Proposed Intention Statement	Proposed New Service Performance Measure	Budget Standard 2024/25	Budget Standard 2025/26	Contextual Note	Disclosure Statement	Type of Measure
		Satisfaction of the Authorisation Board chair on the quality of performance monitoring insights provided by the Charter School Agency	4	4	<b>Contextual note:</b> The Charter School Authorisation Board receives support for overseeing the performance of charter schools by the Agency. The quality of this support is measured using a satisfaction rating survey with a range of questions. This is based on a five-point scale where 1 means unsatisfied and 5 means extremely satisfied.	This is a new measure added for 2024/25.	Quality
Charter Schools on Sponsor-Owned Property	This category is likely to be removed.	N/A	N/A	N/A	N/A	N/A	N/A
Charter Schools Agency Capital Expenditure PLA <i>Appropriation</i>	This appropriation is intended to achieve investment in the renewal, upgrade, replacement or development of assets in supporting the delivery of the Charter School Agency's core functions and services.	Expenditure will be in accordance with the Agency's Capital Asset Management Plan	N/A	N/A	N/A	This is a new measure added for 2024/25.	N/A

Proactive Disclosure