

## **Education Report: Te Pūmanawa o te Wairua - Advice on Remedial Plan**

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### **Recommendations**

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We recommend that the Minister of Education:

- a. **note** that on 4 July 2015 you required Ngā Parirau Mātauranga Charitable Trust, sponsor of Te Pūmanawa o te Wairua Partnership School, to produce a Remedial Plan under clause 24.3 of the Agreement, as the Trust's last opportunity to keep the School open;
- b. **note** that the Trust provided you with a draft Remedial Plan by the required date of 17 July 2015 for your consideration;
- c. **note** that you requested further detailed financial information including for the Remedial Plan, which was provided;
- d. **note** that the Board has appointed new trustees, one with a financial/business background, and has appointed Mr Chris Saunders, an experienced Commissioner, as Interim Education Director.
- e. **note** that, although containing less detail than desirable, the Ministry considers that the Remedial Plan, along with the new governance and leadership personnel, has a realistic opportunity to succeed, but that ongoing monitoring will be needed to provide assurance of acceptable progress.
- f. **note** that you retain the ability to terminate the Agreement if remedial work is not satisfactory to you;
- g. **agree** to approve the Remedial Plan on the conditions set out in your letter of 4 July 2015 to the Board;

#### **AGREE / NOT AGREE**

- h. **note** that the level of external input required as part of the Remedial Plan is such that Ministry will need to provide up to an additional \$129,000 in financial support to the Board for it to be able to execute the Remedial Plan;
- i. **note** that a Specialist Audit will be conducted in October 2015 to reassess the future of the School and its performance against the Agreement and its sustainability plan, following which we will provide you with further advice on whether or not the Kura should remain open;

- j. **note** that you have already agreed to the release of related documents on the Ministry's website on a date to be agreed with your Office [METIS 938250 refers].



Katrina Casey  
Deputy Secretary  
Sector Enablement and Support

Encl

NOTED



Hon Hekia Parata  
Minister of Education

23.7.15

David Seymour  
Under-Secretary to the  
Minister of Education

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## **Education Report: Te Pūmanawa o te Wairua - Advice on Remedial Plan**

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### **Purpose of Report**

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1. This report provides you with advice on the robustness of the Remedial Plan proposed by the Ngā Parirau Mātauranga Charitable Trust on 17 July 2015, further to your meeting with and letter to the Trust of 4 July 2015, and on the financial impact of approving the Plan.

### **Background**

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2. 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 in the Specialist Audit of March/April 2015, and outlining some significant action the Board had taken to begin to address these matters, in addition to steps taken since March 2015.
3. That letter proposed that you allow the School to remain open for the remainder of 2015 with a comprehensive action plan to be put in place to remedy the school's shortcomings.
4. You met with the Trustees on 4 July 2015 and handed them a letter that included the requirement to develop a Remedial Plan by 17 July 2015, under clause 24.3 of the Agreement. This came with some conditions, which the Trustees accepted.
5. The Trust provided you with its draft Remedial Plan on 17 July 2015.
6. On 20 July 2015 you requested a budget for the planned actions and school operation for the remainder of 2015. This was provided on 22 July 2015.

### **The Remedial Plan**

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7. The conditions required the appointment of appropriately skilled Trustees. The Trustees' skill set was to include finance, education and business/management expertise. You were to appoint a Trustee with expertise in education.
8. The Remedial Plan needed to be SMART<sup>1</sup>, and we recommended it be required to be submitted to the Ministry by 5pm Friday 17 July.
9. In essence, the Remedial Plan needed to address all the critical deficiencies identified in the Specialist Audit.

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

10. It needed to include:
  - a. a financial / operations plan that demonstrated the financial viability of the School for the remainder of 2015, and the ongoing sustainability of the School over the remainder of the contract term, including providing school facilities sufficient to accommodate a maximum roll of 128 students;
  - b. an education plan that would see the School delivering on the curriculum plan proposed in its application;
  - c. a whānau and community engagement plan to demonstrate an ongoing demand for the School.
11. Specifically, the Remedial Plan needed to provide confidence on the following matters:
  - a. Full revision of financial management and accounting practices, with ongoing professional oversight;
  - b. Continued use of project-based learning required upskilling of teaching staff such that they could operate effectively within this approach;
  - c. Overall, the curriculum needed to be brought up to a satisfactory standard, and to support the aspirations of students;
  - d. The number of registered teachers or teachers with an LAT needed to be within the agreed levels by the time of the audit;
  - e. Implementation of the wellbeing @school survey;
  - f. Record-keeping on health and safety requirements of on-site courses;
  - g. A system to gather information about the needs of whānau and the community;
  - h. ICT needed to be properly incorporated into the learning environment;
  - i. A properly managed register for Police vetting;
  - j. Confidence that the Kura can provide a safe physical and emotional environment for staff and students at all times. This must recognise the nature of the students for which this Kura was designed to cater.

#### **Key Appointments**

12. You have decided to appoint Karen Sewell, as your nominee to the Trust Board.
13. The Trust Board has appointed Mr Brendon Edwards as a trustee. Mr Edwards has a Bachelor of Laws and a Bachelor of Commerce degree. He was previously employed in Hong Kong as a solicitor and a merchant banker for Credit Suisse. He is of Ngati Wai and Ngapuhi descent.
14. Mr Chris Saunders has accepted the role of Interim Education Director on a 0.4 FTE basis. Mr Saunders is an experienced Ministry Commissioner who has fulfilled that role at other Northland schools. Mr Saunders will remain in that role until the school has stabilised and a full time Principal is appointed.
15. Wayne Johnstone, who has been acting CEO, has been appointed as the Executive Officer on a 0.6 FTE basis.

16. [REDACTED] has been appointed Curriculum Manager, on a 0.5 FTE basis. [REDACTED]

s 9(2)(a) OIA

#### **Systems Improvements**

17. The Trust provides as Appendix 1 to its letter actions that have been or are to be taken to improve the internal capacity and operating procedures. These are structured under the ERO School Evaluation Indicators – Effective Practice for Improvement and Learner Success. This section notes:
- a. confirmation of Dr Georgina Stewart to work alongside the Education Director, providing Maori education expertise;
  - b. re-establishment of the relationship with the Ngatiwai Trust Board;
  - c. confirmation of the education advisory group;
  - d. a commitment to monthly meetings with whanua;
  - e. engagement with the owners of "The Farm", who were a core part of the original proposal approved by you;
  - f. an intention to engage with Lincoln University and NorthTec regarding student career pathways.
18. The Remedial Plan is set out as Appendix 2 of the Board's 17 July letter. It lists each of the points on student achievement listed in the Specialist Audit Report, the current status of any action, follow-up tasks, and timeframes in some cases.
19. This does not address curriculum development. Neither does it address how the teaching staff will be professionally developed to effectively implement the project-based learning model. It lists this as "an area for future development". This was identified as an important shortcoming in the March Audit report.
20. The school has developed personalised learning plans for students, which will be enhanced by Whanau education action plans to identify the most appropriate pathways for students.
21. An organisational structure was set to commence on 20 July 2015, to be completed within five weeks.
22. The Trust is investigating the possibility of providing a separate building on site for confidential student counselling. No indication of costs is given. Dee-Ann Brown, Board Chair with substantial experience in social services, will provide clinical supervision of the social worker engaged three days per week.
23. A full review of safety policy and processes is to be undertaken by the end of Term 3.
24. The Board will be working with BDO regarding the financial management concerns raised in section 6 of the March Audit report. The debit card has been cancelled and the petty cash reduced, with a reconciliation process implemented.
25. The change in senior management has resulted in a culture of inclusiveness and transparency. The Board has previously recognised that former senior management were a significant part of the reason the Kura has not achieved its vision.

26. At least some ICT issues have been overcome, with the internet now being accessed to support classroom learning.

### **Conclusion**

27. Although the Remedial Plan is aspirational and lacking SMART detail in parts, given the timeframe in which it was produced it does identify actions taken or being taken, and a pathway to address the findings of the Specialist Audit. The strengthened governance and leadership team is a key factor in providing some level of confidence that the Remedial Plan has a realistic opportunity to succeed.
28. Because some detail is absent, we consider it appropriate to monitor progress against the Plan, should you approve it, until the Specialist Audit in October 2015.
29. We have concerns about the long term financial viability of the Kura, due to its current reduced roll. However, a firm judgement on that is dependent on actions taken and plans developed by the Trust between now and the end of the year.

### **Next Steps**

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30. We have prepared a letter approving the Remedial Plan, attached as Appendix 1.
31. The budget provided shows that the Board will require up to \$129,000 in additional financial support for the remainder of 2015 to be able to execute the Remedial Plan. This relates to the accountancy costs of BDO and advisory fees.
32. The Ministry will monitor the Board's progress in executing the Remedial Plan until the Specialist Audit in October 2015.
33. Once we receive the October Specialist Audit report we will provide you with a further report on its findings.
34. Depending on those findings, you will need to decide whether to allow the School to remain open in 2016, which would likely include a monitoring programme, or terminate the Agreement.

### **Consultation**

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

### **Release of Information**

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36. You have already agreed to a proactive release of key documents on the Ministry's website [METIS 938250 refers].

## **Appendix 1 – Draft letter approving Remedial Plan**