



# Review of Funding Systems Advisory Group - Terms of Reference

## Introduction

How early childhood education (ECE) services, ngā kōhanga reo and schools are funded is one of the key system settings. The Government is reviewing the funding systems for early learning and schooling, alongside work on other system levers (for example updating the Education Act and implementing Investing in Educational Success), to improve the overall design of the education system and ensure that all New Zealand children and young people receive the best possible education.

The review forms a critical part of the whole-of-system improvement programme, to build a sustainable, fit-for-purpose education system for children and young people aged 0-18.

The Minister of Education has commissioned the Ministry of Education (the Ministry) to provide advice on a range of options for strengthening the funding systems.

## Current funding systems

Current funding systems for early learning and schooling have been in place for some time and are in need of a substantive review. Some of the identified weaknesses with the current funding systems include:

- the two funding systems do not provide consistent support across a child and young person's education
- resourcing levels may not be well matched to the teaching and learning challenge and care and pastoral needs at each stage of learning
- the decile mechanism (used in both systems) does not accurately target resources to children and young people at risk of under-achievement, and has unintended impacts
- the funding systems do not always support the most effective use of resources
- accountability in the system could be stronger, specifically within the current system there is not a strong line of sight between the resources applied and outcomes achieved, which may reduce the effectiveness of some funding
- some aspects of the systems are considered to be complex and administratively burdensome
- the focus and incentives is on inputs and size of roll rather than educational outcomes and size of educational challenge.

In summary, current funding systems are not sufficiently focused on children and young people, their needs and progression. The Government is interested in the role that funding can play in enabling schools, ECE services and ngā kōhanga reo to better meet the needs of all children and young people.

## Terms of Reference

### Objectives of the review

The overall objective of the review is to direct funding to the size of the education challenge ECE services, ngā kōhanga reo, schools and Communities of Learning face rather than the size of their rolls and the cost of their inputs; and to shift the focus to growing the learning and achievement of all children and young people, and particularly those most at risk of educational under-achievement.



Specifically the review seeks to:

- better invest in education in a way that is focused on the learning progress and achievement of children and young people. This approach should be consistent throughout the education journey, so that they can achieve their full attainment and progress potential (as set out in Te Whāriki, the New Zealand Curriculum and Te Marautanga o Aotearoa);
- better support children at risk of educational under-achievement, drawing on the social investment work;
- reassess the level of base funding provided to support the educational viability of remote small schools;
- support school leaders, and ECE services and ngā kōhanga reo where applicable, to focus more on leading teaching and learning by clarifying property-related responsibilities and accountabilities, and to better protect the Crown's investment in school infrastructure;
- ensure diversity of choice for parents/whānau, while maintaining the viability of the education network, and consistency and certainty of funding for different types of schools, ECE services and ngā kōhanga reo.

### **Scope of the review**

The scope of the review is about how existing funding for early learning and schooling could be better targeted to support the educational achievement of all children and young people as they progress through each stage of their educational journey. A key aim of the review is to create greater transparency about how funding is distributed and applied within the early childhood and schooling systems to assist in future Budget discussions.

Public funding for schools, ECE services and ngā kōhanga reo is within scope of the review, including grants, staffing, property and subsidies. The review will also need to be cognisant of the impact of changes in Government regulation on costs and the wider funding system.

### **Purpose and role of the Advisory Group**

The Review of Funding Systems Advisory Group (the Advisory Group) is to engage with the Ministry to:

- comment on the work being undertaken by the Ministry;
- inform and test the Ministry's thinking and advice.

The Ministry will facilitate the process by providing members with data, research and analysis (including international comparisons), as appropriate.

Members will draw on their experiences with and working knowledge of the schooling, ECE and ngā kōhanga reo sectors to further develop the Ministry's thinking to date, in a direction that supports the purpose and objectives of this review.

The advice and guidance provided by the Advisory Group to the Ministry will assist the Ministry in forming its final advice to the Minister on the review of the education funding systems.

The Ministry will also seek comment and advice from national and regional key stakeholders as well as special interest groups and individuals. The Ministry will provide the Advisory Group, where relevant, with summaries of the advice it receives from other groups and individuals.



## Membership

The membership of the Advisory Group has been established by the Ministry in conjunction with the Minister of Education. Membership consists of the following eighteen members:

### Membership of Review of Funding Systems Advisory Group

	<b>Name</b>	<b>Organisation</b>
1	<b>Allan Vester</b>	Chair, New Zealand Secondary Principals' Council
2	<b>Alex MacCreadie</b>	President, New Zealand Area Schools Association
3	<b>Angela Roberts</b>	President, Post Primary Teachers' Association
4	<b>Cathy Dewes</b>	Tumuaki, Te Runanga Nui o Ngā Kura Kaupapa Māori o Aotearoa
5	<b>Clare Wells</b>	Chief Executive Officer, New Zealand Kindergartens Inc.
6	<b>Doug McLean</b>	President, New Zealand Association of Intermediate and Middle Schooling
7	<b>Frances Nelson</b>	Immediate past president, Auckland Primary Principals' Association
8	<b>Iain Taylor</b>	President, New Zealand Principals' Federation
9	<b>James Thomas</b>	President, Auckland Secondary Schools Principals' Association
10	<b>Judith Nel</b>	President, Special Education Principals' Association New Zealand
11	<b>Kararaina Cribb</b>	Chief Executive Officer, Te Kohanga Reo National Trust
12	<b>Lorraine Kerr</b>	President, New Zealand School Trustees Association
13	<b>Louise Green</b>	President, New Zealand Educational Institute
14	<b>Paul Ferris</b>	Chief Executive Officer, New Zealand Catholic Education Office and Association of Proprietors of Integrated Schools
15	<b>Arihia Stirling</b>	Chair, Nga Kura-a-Iwi o Aotearoa
16	<b>Peter Reynolds</b>	Chief Executive Officer, Early Childhood Council
17	<b>Sally King</b>	Executive Director, Independent Schools of New Zealand
18	<b>Sandy Pasley</b>	President, Secondary Principals' Association of New Zealand



## **Operating guidelines**

The aim of these guidelines is to facilitate work that contributes to the objectives of the review by establishing from the outset the required commitment, timeline, responsibilities and other contributing factors to a successful project.

### ***Members' commitment and responsibilities***

The Secretary for Education has been commissioned by the Minister to convene the Advisory Group. The Advisory Group is expected to commence in early May and complete its work by the end of August. The group will meet regularly between May and August 2016 to comment on the work of the Ministry as it is progressed.

The responsibilities of the Advisory Group members are:

- to act in an advisory role to the Ministry, through the Secretary for Education by providing advice and analysis to the Ministry to inform and progress the objectives of the funding review;
- to articulate the views from their representative bodies as a key input for this advice and analysis;
- to attend all scheduled meetings. When members cannot attend substitutes will be not able to be sent.
- to undertake pre-meeting reading, if provided; engaging fully with the material at each meeting; and completing any post-meeting actions.

### ***Reporting and disclosure***

The Terms of Reference and Advisory Group membership will be published on the Ministry's website, on a dedicated page to be established for the review. There are no reporting requirements for the Advisory Group; the Ministry will provide regular updates on the progress of the review via the website and other agreed channels.

The Secretary for Education will maintain governance and oversight of the Advisory Group and is responsible for keeping Education Ministers and Ministry staff informed of any relevant outcomes, risks and issues.

### ***Confidentiality and Official Information***

All papers provided to the Advisory Group by the Ministry are confidential until such time as the Ministry has released the paper via its website or other established channels. Advisory Group discussion is also confidential to the group. The Official Information Act 1982 will apply to the activities of the group.

Members may be required to sign a non-disclosure agreement.

### ***Public communications protocol***

The spokesperson for the Advisory Group is Peter Hughes, Secretary for Education. Other members will refrain from speaking to the media in their capacity as a member of the Advisory Group.

### ***Meetings and administration***

A secretariat will be appointed from within the Ministry.



Meeting agendas, papers, minutes and other materials will be managed by the secretariat.

Meetings of the Advisory Group will be held at the Ministry's National Office, Mātauranga House, 33 Bowen Street, Wellington. The Ministry will cover all costs directly associated with hosting the meetings, including transport, catering and any other actual and reasonable expenses associated with members' attendance. This does not include professional fees.

**Contact**

If you are interested in understanding more about the Advisory Group for the Review of Funding Systems, please contact Damian Edwards, Associate Deputy Secretary, Education System Performance at [damian.edwards@education.govt.nz](mailto:damian.edwards@education.govt.nz)