Education Report: Request to Dissolve the Mauriceville School (2911) Board of Trustees and Direct the appointment of a Commissioner

<table>
<thead>
<tr>
<th>To:</th>
<th>Hon Chris Hipkins, Minister of Education</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date:</td>
<td>25 June 2018</td>
</tr>
<tr>
<td>Priority:</td>
<td>High</td>
</tr>
<tr>
<td>Security Level:</td>
<td>In Confidence</td>
</tr>
<tr>
<td>METIS No:</td>
<td>1131762</td>
</tr>
<tr>
<td>Drafter:</td>
<td>Deborah Tennet</td>
</tr>
<tr>
<td>Key Contact:</td>
<td>Erika Ross, Director of Education for Wellington</td>
</tr>
<tr>
<td>Messaging seen by Communications team:</td>
<td>No</td>
</tr>
<tr>
<td>Round Robin:</td>
<td>No</td>
</tr>
</tbody>
</table>

Purpose of Report

The purpose of this paper is for you to:

**Agree** to dissolve the Mauriceville School Board of Trustees (the Board) under section 78N(1) of the Education Act 1989 (the Act) and direct the Secretary for Education to appoint a Commissioner to replace the Board because of the risks to the operation of the school and educational performance of its students.

**Sign** the attached New Zealand Gazette notice.

**Note** that if you decide not to dissolve the Board I will direct the appointment of a limited statutory manager for the Board under section 78M of the Act.

**Agree** that this Education Report is proactively released as part of the next publication.

Summary

1. On 31 May 2018, as one of the Minister of Education’s delegates under section 78M of the Act, I agreed to direct the appointment of a limited statutory manager (LSM) for the Board due to employment, curriculum management, communication, financial operations, and board policy and process issues at the school. However, before it could come into effect, that decision was overtaken by events which the Ministry believes have increased the level of risk to the operation of the school and the educational performance of its students.
Four of the Board’s five members have resigned with immediate effect, leaving the Board with one inexperienced trustee (co-opted in early 2018 without any specific portfolio responsibilities), the Principal and a staff representative. The Ministry and the New Zealand School Trustees Association (NZSTA) believe that there is not the sufficient skill set within the remaining trustees to be able to work with a LSM to bring about rapid change. Both organisations believe that an election at this stage may not bring any community representation, given the sudden resignation of four Board members.

In addition, the Ministry believes that the task of having to fill the casual vacancies, develop Board induction processes and initiate governance training for four new trustees will distract the Board from its other governance responsibilities, irrespective of whether a LSM is there to support it.

The Board has not requested a Commissioner but the three remaining members did not object to this option during consultation with them. The appointment of a Commissioner at this time will mean a quick start to address some of the significant issues so that the school will be in a better position for a new Board to take office at a later date.

If you decide not to dissolve the Board I will give effect to my earlier decision under section 78M of the Act, to direct the appointment of a LSM, by publishing a notice in the New Zealand Gazette.

**Recommended Actions**

The Ministry of Education recommends you:

a. **agree** to dissolve the Mauriceville School Board of Trustees and direct the Secretary for Education to appoint a Commissioner to replace that board;

   ![Agree/Disagree]

b. **sign** the attached *New Zealand Gazette* notice;

c. **note** that if you decide not to dissolve the Board I will give effect to my earlier decision under section 78M of the Act to direct the appointment of a limited statutory manager for the Board; and

   ![Noted]

d. **agree** that this Education Report is proactively released as part of the next publication.

![Release/Not release]

Katrina Casey
Deputy Secretary
Sector Enablement and Support

26/6/2018

Hon Chris Hipkins
Minister of Education
Background

1. Mauriceville School is a rural, decile 1, year 1-8 full primary school in the Wairarapa. The school roll at 1 March 2018 was 24. The 2018 ethnicity data is not yet available. The roll has fluctuated in numbers and diversity over the last five years between 19 students in 2014, 13 students in 2016 and 25 students in 2017. The ethnic mix of students has varied between 56.0% (14) European and 44.0% (11) Māori in 2017; and 35.7% (5) European, 14.3% (2) Asian and 50% (7) Māori in 2015.

2. Mauriceville School is not part of a Kāhui Ako. The school is on a 1-2 year Education Review Office (ERO) cycle (see Annex 1 for ERO report information and oral feedback).

3. Board training and support over a number of years was delivered under Ministry funded Tailored Training and Support contracts. In 2016/17 ongoing training from NZSTA was planned to develop the Board’s understanding of roles and responsibilities. NZSTA reports this training did not enable the Board to be confident and independent and that the Board needed a significant level of support to make progress in 2017. There are no induction processes in place for new trustees or succession planning.

4. On 20 February 2018, the Board requested the support of a Limited Statutory Manager (LSM). At that time the Ministry was unable to locate a prospective appointee with the relevant curriculum skill set who was available to work with the Board. The Ministry has now identified a suitable appointee to be able to support the Board to address issues. The Board continued to remain supportive while the Ministry identified a potential appointee for the LSM role.

5. On 31 May 2018, as one of the Minister of Education’s delegates under section 78M of the Act, I agreed to direct the appointment of a LSM for the Board due to employment, curriculum management, communication, financial operations, and board policy and process issues at the school. At the time of that decision the Ministry considered there were enough trustees who could work with a LSM to make speedy progress on the presenting issues. However, before it could come into effect, that decision was overtaken by events which the Ministry believes have increased the risk to the operation of the school and the educational performance of its students.

Justification for this Intervention

6. An intervention under 78N of the Act is required if the Minister of Education (or delegate) has reasonable grounds to believe that there is risk to the operation of a school, or the welfare or educational performance of its students.

7. Four of the Board’s five members have resigned with immediate effect, leaving the Board with one inexperienced trustee (co-opted in early 2018 but without any specific portfolio responsibilities), the Principal and the staff representative. The Ministry and NZSTA believe that there is not the sufficient skill set within the remaining trustees to be able to work with a LSM to quickly bring about change. Both organisations believe that, given the sudden resignation of the four Board members, an election at this stage may not bring any community representation. In addition, the Ministry believes that the task of having to fill the casual vacancies, develop Board induction processes and initiate governance training for four new trustees will distract the Board from its other governance responsibilities, even if a supporting LSM is vested with many of the Board’s powers.
The appointment of a Commissioner at this time will mean a quick start to address some of the significant issues so that the school will be in a better position for a new Board to take office at a later date. See Annex 2 for a summary of the identified issues and expected intervention outcomes (for a Board elected following a Commissioner).

I propose that an intervention at this level is required for the following reasons:

**Non-statutory support has been unsuccessful**
- NZSTA has provided both general workshops and tailored training to support the Board for the past year. Board capability is not strong. Mauriceville School has had significant support for both teaching and learning development and Board training over an extended period of time. This support has not led to the changes required and sustained governance practice and capability.
- At the time of my decision to direct the appointment of a LSM, the Board had stated that it lacked confidence, governance skill and knowledge. Prior to the recent resignations, the Chair had only been in the role since January 2018.
- A Student Achievement Function (SAF) practitioner has supported the school in 2017/18. This support has not lead to sufficient acceleration in progress to achieve ERO identified outcomes and needed changes.

**Lower Statutory Intervention would be insufficient**
- While the Board has been willing to engage with Ministry advice to date, it does not have the capability to identify and lead on areas that remain high risk due to a lack of governance knowledge and capability. There is urgency to ensure that progress towards meeting the outcomes of the 2016 ERO review are accelerated. The 2018 ERO oral reporting identifies that insufficient progress has been made.

**Higher or concurrent Statutory Intervention would be unnecessary**
- Under section 78LD of the Act an additional trustee can be appointed by the Minister of Education. The Minister may also appoint that trustee as the presiding trustee. This can be done with a minimum of delay, provides a short term solution and could be someone from the local community who could build a more sustainable relationship with the school.
- The risk threshold required to be met when considering an Additional Trustee is 'reasonable grounds to believe that there is a risk'. This is the same threshold required to be met when considering appointing a LSM or Commissioner.
- Although an Additional Trustee could help with the role of Board Chair (called the presiding trustee in the Act), the issues at the school are such that more is needed than the influence of an additional trustee or the ability to preside at meetings. An additional trustee (regardless of whether appointed as the presiding trustee) has no greater power, functions or authority than anyone else on the Board and cannot act alone. A Commissioner, however, holds all the Board's powers and can act independently to resolve the presenting issues.

**Concluding comments**
- Under section 98A of the Act, the Minister may approve an alternative constitution if the Minister has reasonable cause to believe that an alternative constitution is in the best interests of the school governed by the Board. This option would allow the Ministry to look at the governance issues at the school as a whole, and allow for more flexibility while we look at a longer term solution.
Neither an additional trustee nor alternative constitution were considered appropriate for Mauriceville School at the time of my earlier decision because the full Board was willing to work with a LSM. These options are still not considered appropriate as a Commissioner replaces the full Board membership, and because the identified risks in the areas of employment, curriculum management and establishing policies and processes needed to be resolved first. These risks need an appointee with specific experience and skills to carry out the Board’s powers in these areas and to ready the school community for an election at a later date.

Although the Ministry could raise the option of an alternative constitution with a Board, the Minister may only approve an alternative constitution if the Chief Review Officer recommends that the Minister consider devising one, or if 20% of parents or the Board/Commissioner requests one.

Dissolving the Board

10 You have the authority to dissolve the Board and to direct the Secretary for Education to appoint a Commissioner when you believe you have reasonable grounds to believe there is a risk to the operation of the school, the welfare or educational performance of its students.¹ This authority has been delegated to the Secretary and Deputy Secretary for Education except when the Board has not requested a Commissioner.

11 The Board has not requested this level of intervention but in a meeting 6 June 2018, when both a LSM and Commissioner were discussed in detail, the three remaining trustees did not oppose the possibility of the Board being replaced by a Commissioner. The Principal, in particular, is supportive of the proposal.

12 When applying an intervention you must apply whichever intervention you consider is reasonable to deal with the risk without intervening more than is necessary in the affairs of the school.²

13 The New Zealand Gazette notice to dissolve the Board and direct the Secretary for Education to appoint a Commissioner is attached for your signature.

Risks

14 Dissolving the Board and appointing a Commissioner is likely to create negative media attention. To mitigate this risk, the Ministry will work with the Commissioner to develop a communication plan. The Commissioner will work with the Principal, staff, parents, whānau and students on the priorities for the School and likely next steps.

15 If you decide not to dissolve the Board there is a risk that the operation of the school and the educational performance of its students will deteriorate further. To mitigate this risk I will give effect to my earlier decision under section 78M of the Act, and direct the appointment of a LSM, as the Board previously expressed a willingness to work with a statutory provider.

¹ Ref section 78(2) and 78(N)(1) Education Act 1989
² Ref section 78(4) Education Act 1989.
Consultation

16 On 30 January 2018, the Ministry contacted NZSTA which has been providing governance advice and support to the Board. Ongoing discussion with NZSTA has been supportive of the Board needing a level of support greater than non-statutory support.

17 On 12 February 2018, the Ministry consulted with the entire Board and outlined the risks and what was needed to reduce these. The Board was in agreement with the risks outlined and in favour of support. The Board Chair followed up that meeting with an email requesting formal support. Further discussion with the Board Chair took place on 27 April 2017 about the delay in finding a suitable LSM who was available to work with the Board. At that time the Chair indicated the Board is still willing to have support for governance from an LSM as requested, despite the delay in finding a suitable candidate.

18 On 20 February 2018, the Ministry met with the current ERO longitudinal reviewer. She indicated she was supportive of a higher level of support for the Board as changes required need to be accelerated. The Ministry met with ERO again on 2 May 2018. The current ERO reviewers were supportive of the MOE direction to move to statutory support. The ERO reviewers agreed that, based on the oral feedback given to the Board on 1 May 2018 after the final review, significant governance support was required to make the necessary changes.

Ministry will contribute funding towards the intervention costs

19 The Act requires the Board to pay the remuneration of the Commissioner unless the Secretary determines otherwise. Based on the 2016 and 2017 Financial Results the Ministry’s Regional Financial Adviser states that while the school may still have positive working capital, the situation although not dire, is at best fragile due to deficits, low reserves, and a volatile small roll. It is likely that the school will require financial assistance.

20 An application for financial assistance for the school won’t be received unless the intervention is approved. It is, however, expected that the Ministry will contribute funding towards the intervention costs.

Proactive Release

Proactive release of Education Report

21 It is intended that this Education Report is proactively released as per your expectation that information be released as soon as possible. We will withhold any information as required in line with the provisions of the Official Information Act 1982.

Annexes

Annex 1: ERO report information and oral feedback

Annex 2: Identified issues and the expected intervention outcomes
Annex 1: ERO report information and oral feedback

The 2016 ERO report\(^3\) recommended that the board, leaders and teachers should:

- improve assessment practices by strengthening moderation and overall teacher judgements in relation to the National Standards
- develop schoolwide systems to better support, monitor and report accelerated progress of Māori and other learners at risk of poor educational outcomes
- improve the curriculum and the effectiveness of teaching
- strengthen governance practices
- improve knowledge-building through developing internal evaluation processes.

ERO recommends that the Ministry of Education consider providing support for the board in order to bring about the improvements outlined within the recommendations.

In October 2017, following a progress visit, ERO suggested in oral feedback that:

- the Principal shadow another Principal.
- the Board focus on all areas of reading, writing and maths as well as pastoral care, as low achievement persists and needs to be accelerated. ERO suggested that the school is currently focussed on pastoral outcomes for students but it needs to focus on acceleration of achievement as well.
- transience is an issue that needs to be addressed in student learning and systems to support that.
- the school devises manageable tracking and monitoring systems to show change
- the involvement of the community in learning is needed.
- although work on an assessment tool is in progress, the focus needs to be on sustainability and building practice around the coherent and integrated needs of all students. The Board and Principal have the responsibility to ensure this.
- managing and delivering the curriculum to meet their learning needs is reported by ERO as a key focus needed.

In the May 2018, ERO’s oral feedback indicated that:

- there is no overarching curriculum document to guide teaching and learning in the school. Curriculum development is needed to ensure clear guidelines, high expectations and support frameworks are known.
- a localised curriculum that is authentic with statements about culturally responsive practice is needed. Insufficient progress has been made to document the local curriculum.
- training, and development of guidelines are needed to clarify the expectations around student achievement and programmes and to ensure consistent implementation.
- there is a need to use and get information from robust tracking and monitoring. Work is in the early stages and needs to be accelerated.

\(^3\) http://www.ero.govt.nz/review-reports/mauriceville-school-10-05-2016/
## Annex 2: Identified issues and the expected intervention outcomes

<table>
<thead>
<tr>
<th>Issues relating to...</th>
<th>Expected Intervention Outcome: The Board will...</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board roles and responsibilities.</td>
<td>Have a shared understanding of individual roles and responsibilities and distribution of tasks.</td>
</tr>
<tr>
<td>Managing Principal performance.</td>
<td>Effectively manage the performance of the Principal, linking the school's strategic direction, goals, priorities and targets, appraisal goals, and appropriate professional learning and development opportunities.</td>
</tr>
<tr>
<td>Effective governance and stewardship.</td>
<td>Ensure ongoing improvement in the effectiveness and efficiency of governance and stewardship, through induction and ongoing training, the distribution of tasks and succession planning.</td>
</tr>
<tr>
<td>Human resource management procedures and practices.</td>
<td>Ensure that human resource management procedures and practices promote and support high quality education outcomes and safety.</td>
</tr>
<tr>
<td>Policies and procedures.</td>
<td>Ensure that school policies and procedures are coherent and fit for purpose.</td>
</tr>
<tr>
<td>Student achievement and/or effective teaching.</td>
<td>Have an explicit and relentless focus on student learning, wellbeing, achievement and progress.</td>
</tr>
<tr>
<td>Curriculum management.</td>
<td>Ensure the school curriculum is inclusive and responsive to local needs, contexts and the environment and enables all students to become confident, connected, actively involved, lifelong learners.</td>
</tr>
<tr>
<td>Board self review.</td>
<td>Review and reflect on Board performance and effectiveness in terms of the school vision, values, strategic direction, goals and priorities, and seek relevant advice and support where required.</td>
</tr>
<tr>
<td>Human resource management procedures and practices.</td>
<td>Ensure that human resource management procedures and practices promote and support high quality education outcomes and safety.</td>
</tr>
<tr>
<td>Data and evaluative information.</td>
<td>Seek and interrogate a range of high quality student data and evaluative information.</td>
</tr>
<tr>
<td>Financial management.</td>
<td>Ensure that regular monitoring, evaluation and reporting in relation to financial delegations takes place.</td>
</tr>
</tbody>
</table>
NOTICE FOR NEW ZEALAND GAZETTE

Notice of Dissolution of the Mauriceville School (2911) Board of Trustees and Direction to Appoint a Commissioner

Under section 78N(1) of the Education Act 1989, the Mauriceville School (2911) Board of Trustees is now dissolved and I direct the Secretary for Education to appoint a commissioner to replace that board.

This notice takes effect on the day of publication.

Dated at Wellington this 9th day of July 2018.

Chris Hipkins
Minister of Education