



Justine Mahon
Authorisation Board Chair

Dear Justine,

Letter of Expectations 2025

Congratulations to you and the Authorisation Board (Board) on approving the first tranche of sponsors and seeing the first charter schools open for Term 1, 2025.

I thought this would be a good opportunity to outline my expectations around how the Board will support the Government's priorities to build, strengthen and diversify New Zealand's education system. This includes how the Board should work with the Charter School Agency (the Agency) to achieve shared goals in the year ahead.

My priorities for the implementation of the Charter School model

My vision for the charter school model is that we build a sustainable network of schools that will enhance and contribute to the state school network. To that end it is important the growing charter schools network includes a diversity of schools across New Zealand in terms of equity index, size, location and type.

My priority this year is to see the approval and contracting with the first existing state schools that are converting to become charter schools. This will enable those schools to innovate, improve their performance and create opportunities for more efficient delivery. It may also include existing state schools partnering with other schools as part of a network of charter schools under a single sponsor to share resources and expertise.

In order to ensure good value for money, it is important that any new charter schools are those that can demonstrate a strong business model, can identify demand for a particular type of education provision within the current network, and have the capacity to grow in order to deliver better education outcomes to a greater number of students.

Achieving value for the system also means it is relevant for the Board to consider whether proposed schools are targeting students already funded within the public education system. For example, where a new school is founded taking the student body from an established private school, this creates an additional cost to the Crown.

Charter schools are part of the wider public-school network. This means that they can create new options in areas of the country where there may currently be less choice, and where parents may be supported with boarding or transport solutions at additional cost to the taxpayer. I expect that the Authorisation Board will emphasise the importance of open approaches to enrolment to potential sponsors and will exercise some caution in the use of

your power to allow new charter schools to add enrolment controls through designation of distinguishing characteristics.

To enhance opportunities for innovation, I have recently approved an approach to funding that would allow for the approval of a charter school offering fully distance or online education. I consider there to be an excellent opportunity to introduce greater competition in the system in this area of provision to create savings for the Government and improve educational outcomes for students. It is therefore my expectation that you will consider these schools as part of future application rounds. I note that these applicants will need to provide information on how they will provide pastoral support, in line with the requirements of the Education and Training Act.

My expectations for how you work with the Agency

As you are aware, the functions of the Board are to:

- a) decide on applications from proposed sponsors to operate charter schools. It can place conditions on any such approvals;
- b) oversee the performance of charter schools;
- c) provide me with advice on the operation of the charter school model;
- d) provide any other advice or oversight that I might request in writing;
- e) decide whether to intervene to address any performance concerns of a charter school; and
- f) perform any other functions conferred on it by the Act or any other legislation.

My expectation is that all operational matters will be undertaken by the Agency so that the Board can ensure it focuses on its decision-making and monitoring role. The Agency will work closely with the Board to provide you with secretariat support to ensure you are enabled to fulfil your statutory responsibilities. I understand that the Agency is putting in place specific performance measures to assess their effectiveness in this role.

The Agency is accountable to me for entering into and managing contracts with charter schools, and for managing the Charter Schools Appropriation. As such they are required to hold performance and financial information, and report on what is achieved through sponsor contracts. As part of its day-to-day operations, I also expect that all external communications and publicity statements will be managed and come from the Agency.

The Board is not required to act in any governance capacity for the Agency.

My expectations for Board operations

I understand, in your December 2024 meeting, the Board agreed some priorities for 2025 which include:

- a) reviewing 2024 applications for new schools;
- b) approving applications for converting schools;
- c) establishing performance approach for the Boards oversight of schools;
- d) providing advice to me on the future potential for the charter schools model, including funding barriers, to inform policy for Budget 2026.

I agree that these are suitable priorities for the year ahead. I understand the Board have settled and agreed their forward agenda of monthly meetings for 2025 and agree that this

will support the Board to make timely decisions. It is your role as chair to decide on the scheduling and operation of meetings, including whether they are conducted in person or remotely.

I believe these expectations and priorities outlined in this letter will support the Board in 2025. I encourage you to continue to seek guidance from the Agency where you need any further support.

Again, thank you for your commitment to improving the quality of education and choice for families. Please do not hesitate to contact me, or my office, at any time.

Kind regards

A handwritten signature in blue ink, appearing to read 'D. Seymour', with a stylized flourish at the end.

Hon David Seymour
Associate Minister of Education