

Charter Schools | Kura Hourua: Performance Management Framework

Charter schools are an alternative way of delivering education to meet the needs and preferences of students. Charter schools will have greater flexibility to innovate, including in the design of a school’s structure, governance, and curriculum. In exchange for greater flexibility, they are subject to increased oversight and accountability through the performance management framework.

The framework sets out clearly defined performance outcomes, measures and targets, as well as the methods used to track these. It will be used to hold sponsors to account and provide the Government and the community with assurance that charter schools are delivering quality education.

Outcomes	Measures	Standardised targets	Minimum performance threshold	Method	Reporting
Attendance	Regular attendance at school (students attending school for more than 90% of the term)	80% of students regularly attending	EQI Group - ‘Fewer’ Barriers: 60% EQI Group - ‘Moderate’ Barriers: 50% EQI Group - ‘More’ Barriers: 35%	Electronic attendance register	Daily, each term and an annual self-audit in June
Achievement	Primary: Years 3 to 10 <ul style="list-style-type: none"> Reading or pānui Writing or tuhituhi Mathematics or pāngarau 	80% of students are at or above the expected curriculum level	Reading EQI Group - ‘Fewer’ Barriers: 70% EQI Group - ‘Moderate’ Barriers: 50% EQI Group - ‘More’ Barriers: 30% Writing and maths EQI Group - ‘Fewer’ Barriers: 35% EQI Group - ‘Moderate’ Barriers: 35% EQI Group - ‘More’ Barriers: 25%	Assessment tools such as: <ul style="list-style-type: none"> e-asTTle (MoE) Progressive Achievement Tests (PATs - NZCER) Te Waharoa Ararau (MoE) 	Annual self-audit in June and a follow-up report in December
	Secondary: Years 11 and above <ul style="list-style-type: none"> Qualification attainment 	95% of school leavers reach NCEA level 2 or above	EQI Group - ‘Fewer’ Barriers: 95% EQI Group - ‘Moderate’ Barriers: 80% EQI Group - ‘More’ Barriers: 65%	NCEA Level 2 attainment / equivalent in an approved qualification	Annual self-audit in June
Financial performance	Financial health Key indicators include operating surplus, working capital ratio, debt/equity ratio, operating cash, enrolment variance.	<ul style="list-style-type: none"> Operating surplus: 2 – 5% Working capital ratio: 2:1 Debt/equity ratio: 0.5:1 Operating cash: positive cashflow forecast = actual Enrolment variance: contextual measure assessed in reports as either growing, stable, or decreasing. 		Annual self-audit in June and a follow-up report in December	Annual self-audit in June and a follow-up report in December
	Financial probity <ul style="list-style-type: none"> Discharge of all contractual obligations before using any profit Notification when any source of anticipated funding (on which the ongoing viability of the sponsor or school(s) is dependent) will not be available Notification of any failure to pay debt from borrowed money; or of any expectation they will fail to pay this debt in future Related party disclosure Sensitive expenditure policies in place Expected use of funds and financial plans 				
Standard minimum compliance (SMC)	<ul style="list-style-type: none"> Minimum of 75% of certificated teachers employed Student enrolment requirements School day, hours, and term date requirements Reporting requirements Record keeping and data management Insurance Transport provision requirements (if applicable) Property (if applicable) 	SMC measures do not require performance targets. A sponsor’s failure to meet standards carries an immediate risk to students and/or school operations.		Annual self-audit including a sponsor assurance statement and a self-audit check	Annual self-audit in June

Performance monitoring

The Charter School Agency and the Education Review Office have worked closely to develop a robust monitoring approach for charter schools. The Charter Schools Agency will be responsible for day-to-day monitoring of charter schools and will report as required to the Authorisation Board.

The legislative framework for charter schools sets out that:

- Sponsors will be held accountable to performance outcomes and that they will provide information on performance outcomes
- Contracts can specify what performance information is to be provided using specific tools or submission of data
- Performance measures and targets may be standardised across schools or a group of schools
- Charter schools must complete an annual self-audit, including a set of independently audited financial accounts

Intervention framework

The Intervention Framework sets out specific actions that can be used where a charter school is not meeting its contractual or legislative obligations. The Authorisation Board will consider progress over time when applying an intervention.

Interventions set in legislation and used by the Authorisation Board:

- Require a sponsor to provide specific information or carry out a specific action
- Require the Education Review Office to conduct a review of the school
- Replacement of the sponsor
- Termination of the contract