



Budget 2024 Decision: Charter Schools | Kura Hourua

version updated September 2026

Through Budget 2024 the Charter School Agency (CSA) was provided **\$153.090 million** over four years to establish and operate charter schools.

Funding was to establish, monitor and support approximately 15 new charter schools and convert approximately 35 state schools to charter schools (dependent on demand and suitability).

Charter schools give choice to families, and more flexibility for educators to lift children's achievement. In exchange for greater flexibility, school sponsors face increased oversight and accountability. The intention of charter schools is to improve student attendance and achievement.

What was allocated in Budget 2024

Initial funding was based on assumed timelines and demand.

	2024/25	2025/26	2026/27	2027/28
Budget 2024	\$23.216m	\$57.340m	\$36.645m	\$35.889

The funding was split into three categories:

Resourcing and oversight	Funding schools	Charter School Authorisation Board
This funding supported the CSA to build the capability, systems and processes to establish and monitor charter schools alongside the Ministry of Education (MoE), Education Review Office and others. It also funded external support for sponsors as they developed applications, established their school and the first six months of their operation.	This funding is largely used to cover the establishment and ongoing operating costs of new charter schools. Charter school funding is based on state school funding	The Authorisation Board approves sponsors and oversees their performance. They also decide when and how to step in if a charter school is not performing.

Timeline

- Following the first application round (in 2024); eight new charter schools opened in 2025.
- Following the second application round (in 2025); nine new charter schools opened in Term 1 2026. In the same round, the Charter School Authorisation Board approved two charter schools to open in term 3 2026 and two more in 2027.
- By 30 June 2026 the CSA had received 19 formal expressions of interest from would-be sponsors to convert a state or state integrated school. The CSA is in contract negotiations with three of those sponsors.

Our progress as at 30 June 2026

Forecast and actual spend – June 2026

\$m	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	Total
Forecast	21.48	56.17	65.18	52.22	52.22	52.22	299.5
Actual	16.97	53.24	-	-	-	-	-

Summary

The 2025 application round attracted strong interest, the CSA received 52 applications to establish new charter schools. By 30 June 2026, the CSA had signed contracts with 21 sponsors to operate new charter schools, 17 of those new schools are now open.

There were 1721 students enrolled at charter schools on 1 June 2026. Most of the first charter schools (those that opened in 2025) have met or exceeded their establishment rolls (i.e. the roll they expected to have in their fifth term). The CSA expects rolls to continue to grow through 2026 and beyond as the schools that opened this year work towards their own establishment rolls and last year's schools continue to attract new students. Collectively, the schools that opened in 2026 have reached around 51% of their establishment rolls.

The CSA is supporting the Authorisation Board to grow the charter school network by supporting state and state integrated schools convert into charter schools. By the end of 2025/26 19 schools had formally expressed interest in converting. Three have moved through the application process with the Board and have begun contract negotiations with the CSA.

During 2025/26 the CSA provided the Authorisation Board with monitoring information, reporting and advice on charter school performance. The CSA uses its performance management framework to hold sponsors to account and give Government confidence that charter schools are delivering quality education.

Ultimately, charter schools are judged on the difference they make for students. In May 2026 the first group of charter schools published annual reports covering their performance in 2025. These reports covered a variety of information including their performance against their contracted targets for attendance and achievement. The CSA is using these reports, and others, as a baseline for future performance monitoring.

Deliver charter schools	
As at 30 June 2026	
Total number of charter school contracts	21
Total number of newly established charter schools	17
Total number of converted state schools into charter schools	0
The results of these measures will be reported in the agency’s 2025/26 annual report and updated on our website	

Improve educational outcomes

In 2025/2026 Parliament set new performance measures for the CSA around progress in student attendance and achievement. This is the first year these have been measures and is the baseline the CSA will be assessed against in future years.

The CSA will report on its performance against these measures in our annual reports.

Measure: Student attendance at charter schools - increasing trend

The minimum performance threshold for attendance is the percentage of students that are regularly attending for 90% of the term. Individual charter schools have specific thresholds they need to meet. These are based on the school’s Equity Index – EQI – an indicator of the extent to which students face socio-economic barriers to educational achievement.

In 2025/26 - 71% of charter schools met or exceeded their attendance threshold. The CSA will achieve its 2026/27 target if more than 71% of charter schools meet or exceed their attendance threshold in 2026.

Measure: Student achievement at charter schools - increasing trend

The minimum performance threshold for achievement is the percentage of students who are at or above the curriculum level for reading, writing and mathematics, or obtain qualifications (year 11 and above). As with attendance, individual school thresholds are based on their EQI.

In 2025/26 - 83% of charter schools at or above the threshold for reading and writing, and 100% for mathematics. The CSA will achieve its 2026/27 target if, in 2026, more than 83% of charter schools meet or exceed their performance threshold for reading and writing and 100% meet or achieve their threshold for mathematics.

Actual spend and updated Budget allocations

\$70.216m

\$16.973m actual spend (audited) – 1 July 2024 to 30 June 2025

\$53.243 actual spend (audited) – 1 July 2025 to 30 June 2026

Appropriation category	2024/25 Budget	2024/25 Actual	2025/26 Budget	2025/26 Actual
Resourcing and oversight	\$6.829 m	\$5.917 m	\$8.424 m	\$4.854 m
Funding schools	\$14.453 m	\$10.915 m	\$48.611 m	\$48.191 m
Authorisation Board	\$0.200 m	\$0.141 m	\$0.200 m	\$0.198 m
	\$21.482 m	\$16.973 m	\$57.235 m	\$53.243m

Initial Budget 2024 assumptions were that funding would go towards establishing approximately 15 new charter schools and converting approximately 35 state schools to charter schools in 2025 and 2026. It was expected that the budget and delivery profile would change to reflect demand, sponsor suitability and readiness to open.

The CSA established 17 new charter schools by the end of 2025/26. While there is continued interest from state schools wanting to convert, conversion has proved challenging. The CSA is working with sponsors to develop employment, property and funding arrangements that give schools more flexibility while protecting staff interests, managing public assets and maintaining value for money.

Budget changes since January 2026 update

Changes to the Charter Schools Budget initiative were made as part of the Supplementary Estimates for Vote Education for 2025/26 in May 2026.

This included changes to the:

- original 2025/26 funding for charter schools and CSA
- performance measures to be reported by the CSA in its 2025/26 Annual Report
- way charter schools were to be funded from 2026/27.

Changes to 2025/26 Budget allocations

For 2025/26 there were several technical budget changes and expenses transfers that resulted in an overall \$1.063 million reduction in CSA funding to \$56.235 million.

The other funding changes were to:

- reflect that more charter primary schools were being opened than secondary schools
- better provide for establishment and transition costs for charter schools
- support the conversion of state schools to charter schools
- cover the cost of writing off assets from former state schools being transferred to sponsors of charter schools.

2025/26 Performance measures

Some of the CSA's performance measures were changed as part of the 2025/26 Supplementary Estimates process. The main changes were to include new measures for:

- student roll numbers and payments to charter school support partners
- providing performance information on charter schools to the Authorisation Board
- minimum attendance and achievement thresholds for charter schools
- assessing whether charter schools were maintaining or improving their regular student attendance, and their achievement rates in reading, writing and mathematics.

2026/27 appropriations

In the 2025/26 Supplementary Estimates a major change was made to the way charter schools will be funded from 2026/27. This was to move **overall** charter school funding to roll-based.

Note individual charter schools have always been funded based on rolls.

Known as demand-driven funding, this is the funding model used for state schools and reflects that Charter Schools are funded at equivalent rates to state schools. This allows the CSA to adjust funding to charter schools based on student numbers. The funding covers all components of charter school ongoing funding (Salaries, Operations, Services and Property).