



## Through Budget 2024, we were provided funding for the following major budget decision:

**\$153 million** over four years for establishing and operating charter schools | kura hourua.

Funding will go towards establishing approximately 15 new charter schools and converting approximately 35 state schools to charter schools in 2025 and 2026 depending on demand and suitability, with appropriate support and monitoring.

This initiative provides new funding to establish and operate charter schools | kura hourua. It gives a new schooling choice to families, and more flexibility for educators to lift children's achievement. In exchange for greater flexibility, school sponsors will be subject to increased oversight and accountability. The intended result is improved educational outcomes in terms of student attendance and achievement.

## What was allocated in Budget 2024

This funding profile reflects initial Budget 2024 assumptions of expected timelines and demand for charter schools. As we contract with more sponsors and the delivery profile becomes clearer (ie. when schools are established and grow), surplus funding will be transferred to future years or returned to The Treasury.

2024/25	2025/26	2026/27	2027/28
<b>\$23.2M</b>	<b>\$57.3M</b>	<b>\$36.6M</b>	<b>\$35.9M</b>

### Resourcing and oversight:

Additional funding has been allocated to the first two years of implementation for one-off spend such as legal advice for contract development and negotiation, and external support partners for the charter schools who provide application, establishment and ongoing support. It also includes other set up requirements to establish an operating model and appropriate capability, systems and processes to establish and monitor the schools in conjunction with other agencies such as the Ministry of Education and Education Review Office. Ongoing funding for resourcing and oversight is expected to decrease once charter schools are established and operational.

### Funding schools:

New funding from Budget 2024 will largely be used to cover the establishment and ongoing operating costs of new charter schools. The charter school funding model is broadly equivalent to the funding that state schools receive.

### Authorisation Board:

The independent Authorisation Board approves potential sponsors of charter schools and oversees performance management, including the use of interventions if a charter school is not performing well.

## Planned timeline

To deliver 50 charter schools in 2025 and 2026:

- The first application round for charter schools was undertaken in the second half of 2024
- The first wave of charter schools is planned to open in Term One of 2025
- The second application round is planned to be undertaken in the first half of 2025
- The second wave of charter schools is planned to open by Term One of 2026.

## Our progress as of December 2024:

The Charter School Agency is operating within our appropriation, and we are currently expecting to spend less than originally allocated in the current financial year. This has been driven in part by finding operating efficiencies (e.g. the delivery of functions such as contract negotiation and establishment support in-house and reprioritisation of existing resources within the education sector to support Government priorities).

Based on the high demand from applicants, assessment of sponsor suitability and readiness to open, we anticipate the delivery profile to change from initial Budget 2024 assumptions. Any surplus funding will be transferred to future years or returned to The Treasury as appropriate.

Deliver charter schools	
We will report on:	
Total number of charter school contracts	<b>7</b> contracts signed as of 31 December 2024
Total number of newly established charter schools	<b>7</b> new charter schools expected to be open in Term 1 of 2025 as of 31 December 2024
Total number of converted state schools into charter schools	<b>0</b> converted state schools into charter schools as of 31 December 2024
The results of these measures will be reported in the respective year's annual report and will be updated on our website in January and August of each year.	

Improve educational outcomes	
We will report on:	
Student attendance at charter schools - increasing trend	TBC
Student achievement at charter schools - increasing trend	TBC
Progress made will be reported in prospective annual reports once schools are operational and baseline data is available from 2026.	

