



## What you'll get in funding

This section will provide guidance on the funding model. It introduces the different types of funding and how they work.

It also introduces the Funding Calculator which has been released with this tender pack.

This document **What you'll get in funding** is part 2 of 5 application documents. Please make sure that you read all documentation provided including the additional appendixes.



## Funding

The below table outlines the difference tranches of funding, based on a per student model, available for Charter Schools.

Type	Description
<b>Establishment funding</b>	<p>New charter schools will receive funding to establish the school including:</p> <ul style="list-style-type: none"> <li>• a per-student amount similar to the state school rate for administration, library/resource centres, and teaching and learning material costs.</li> <li>• funding to employ principals, senior teachers, and other teachers in the period before opening.</li> </ul>
<b>Staff-based funding</b>	<p>Funding based on a per-student rate and paid as cash calculated based on school type and number of students. Additional funding is provided for Māori or Pacific immersion education for specific students.</p>
<b>Services-based funding</b>	<p>Funding for specific nationally provided services that for state schools is provided by the Ministry of Education, including digital, payroll services and nationally provided professional learning and development services. This is calculated based on per-student value based on state school service provisions.</p> <p><i>Note: Not all services are included in this rate. Charter Schools can access some of these other services separately.</i></p>
<b>Operational grant funding</b>	<p>Same operational grant components as state schools with components that are not “per-student” replaced with broadly equivalent per-student funding.</p>

### Property funding

Per-student rates for capital maintenance and the renewal of furniture and equipment based on the property arrangement (Ministry or Non-Ministry property) and the relevant state school funding components.

For Charter Schools in Ministry-owned property, there will be a transition over five years where funding and responsibility is split between the Ministry and the sponsor.

Learning support will be provided based on the needs of the individual student and is excluded from the funding above.

### Calculating your funding entitlement

A funding calculator has been made available through this stage two application process to enable sponsors to work through their own assumptions and provide guiding estimates in respect to funding.

Final funding entitlements will be completed and documented in the contracting phase concluding this stage two application process for successful sponsors.

### Paying your funding entitlement

It is anticipated funding will be paid to sponsors as follows:



The resulting contracts between the sponsor and Agency will include a funding schedule outlining specific requirements as well as allowing for a process to ‘wash up’ unders and overs on funding entitlements and recovery.

## Property considerations

Charter Schools will have one of the following property arrangements:

New schools	Converting schools
<p>New schools will occupy non-Ministry owned property such as:</p> <ul style="list-style-type: none"> <li>property owned and managed by a sponsor), or</li> <li>commercial leasing arrangements.</li> </ul> <p>New schools must meet all statutory and regulatory compliance under their contract with the Charter School Agency.</p>	<p>Converting schools will occupy Ministry owned property.</p> <p>Converting schools must meet all statutory and regulatory compliance under their contract with the Charter School Agency.</p> <p>They are also subject to Ministry of Education property management requirements such as:</p> <ul style="list-style-type: none"> <li>Regular operational maintenance activities and targets</li> <li>Reactive maintenance activities and processes</li> </ul>

Further detail about the property maintenance activities and targets for Ministry property can be provided on request.

## Property funding

Property funding is different depending on who owns the property:

Charter Schools in non-Ministry-owned property
<p><b>Charter Schools in non-Ministry owned property will be funded on a flat per-student rate as an operating expense.</b></p> <ul style="list-style-type: none"> <li>The funding rate for Charter Schools in sponsor owned property will be based on the approach for capital maintenance funding for State integrated schools (Policy One). Find out more about Policy One on the Ministry of Education website.</li> </ul>

- The funding rate for furniture and equipment for Charter Schools in non-Ministry owned property will be based on a per student funding rate of the renewal funding provided to State schools.

Charter Schools in Ministry-owned property
<p>Charter Schools in Ministry-owned property will pay a nominal lease rate and receive property funding for capital maintenance funding which reflects the current capital maintenance funding for State schools.</p> <p>There will be a transitional period for providing this funding to sponsors of Charter Schools on Ministry-owned property.</p> <ul style="list-style-type: none"> <li>In the first-year property funding for Charter Schools in Ministry-owned property will be comparable to the capital funding budget allocated to schools and increase over the following four years to be broadly equivalent to the total expected value of maintenance and renewal funding of similar State schools.</li> <li>Throughout this period, the sponsor will take increasing responsibility to manage and maintain the buildings that they occupy, with further recourse to the Crown decreasing to nil.</li> </ul> <p>At least 70 percent of the capital maintenance funding for Ministry-owned property will be provided to sponsors in the form of capital funding to spend on Ministry-owned buildings, with the remaining converted to an operating expense and provided to Sponsors to incentivise them to be more efficient and to support the overall intent of the Charter School funding model.</p> <ul style="list-style-type: none"> <li>However, sponsors will still have to meet terms and conditions set out in a contract between the Ministry of Education and Sponsors for the management and use of Crown assets.</li> <li>They will also receive funding proportionate to the renewal component of furniture and equipment funding based on property funding for State schools.</li> </ul>



**Calculate your property funding using the funding calculator.**