

PAST  
↓  
FUTURE

## DISTANCE EDUCATION HAS CHANGED CONSIDERABLY

New Zealand's correspondence school, Te Aho o Te Kura Pounamu (Te Kura), was established to fill a gap in the education network, providing services for students who could not attend a physical school.

Its role has now changed considerably from being well-defined to being diffuse.

1922

- About 80 primary-aged students
- Centralised organisation
- Students mostly geographically isolated
- Students receive and return work books by post

2015

- About 24,000 students from ECE to adult learners
- Heavily regionalised, with "learning advisories" acknowledging the need for face-to-face support
- Fewer than 10% of students are geographically isolated
- Students increasingly receive and return work electronically

s 9(2)(g)(i) OIA

## DISTANCE EDUCATION NOW COVERS A HIGHLY DIVERSE RANGE OF STUDENTS

Originally, Te Kura filled a gap in the system for students who were geographically isolated, overseas, itinerant, or had high health needs.

Now, much of its roll is comprised of students at risk of underachieving, including teen parents, students excluded from school and students with severe psychological needs. These students are often referred to Te Kura when no other school will enrol them.

Some students choose to be on the Te Kura roll. These include young adults, aged 16 to 19, who are not currently enrolled in a school, and adults seeking "second-chance learning". These students often study part-time and choose Te Kura because of the flexibility correspondence education provides.

Other students enrol at Te Kura in some subjects while taking the remainder of their courses at their usual schools. Usually their home schools are unable to provide these subjects. "Dual tuition" has a government-funded annual spend of \$10.4m, spread across 2,826 EFTS (11,461 students), in 2014.

## DISTANCE EDUCATION ALONE IS NOT THE BEST SETTING FOR STUDENTS AT RISK

Te Kura at-risk provision currently acts as an off-ramp from the face-to-face schooling network. The unlimited supply of at-risk places at Te Kura gives schools an incentive to "unload" struggling at-risk students, instead of working to address disengagement. Of Te Kura's 3,193 full-time students in 2014, 57% were considered at risk.

However, the 2012 review of Te Kura found that distance education alone is not a fit-for-purpose model of education delivery for learners at risk of underachieving. These students are more likely to achieve good learning outcomes in settings with a strong face-to-face component.

s 9(2)(g)(i) OIA

This review recommended establishing a targeted and sustained programme of face-to-face learning and pastoral support to at-risk learners. A pilot was launched for 80 students in six locations in 2014. The pilot has suffered from high student turnover and it is difficult to assess its effectiveness.

## TE KURA HAS BROAD STRATEGIC GOALS

In its Strategic Plan 2013–2018, Te Kura outlines its strategic priorities as:

- integrating technology into all aspects of teaching and learning
- improving education outcomes for Māori and Pasifika students
- providing regionalised teaching

Te Kura also has ambitions of further growth, including:

- becoming a school of choice for all students
- providing services to international students overseas

Te Kura aims to have all of its courses accessible online only by 2019.

s 9(2)(g)(i) OIA

## COMPARED TO INTERNATIONAL MODELS, OUR DISTANCE EDUCATOR IS AN OUTLIER

The Education Act 1989 does not limit us to only having one correspondence educator. In fact, having one correspondence provider makes our system an outlier compared to Australia, the United States and Canada.

These countries have devolved responsibility for correspondence education to regional authorities for better oversight and stronger community relationships.

They also vary in accessibility. In Australia, access is generally limited to students who are unable to attend a face-to-face school. Meanwhile, North American systems let students choose distance education over face-to-face education (i.e., they are a "school of choice").

Generally, international correspondence educators have a narrower focus rather than trying to be all things for all people.

## VIRTUAL COMMUNITIES OF SCHOOLS ARE BECOMING ESTABLISHED

Although Te Kura is the only state-funded correspondence educator in New Zealand, it is not the only place students can access distance education. Virtual communities of schools are being established, particularly in rural communities to provide wider learning opportunities for students by collaborating among schools. Digital technology is used to connect teachers and students.

An example includes Net NZ, which involves 50 schools, 60 courses, 120 teachers and 500 students from across the South Island. These networks are resourced from within schools' operational grants, often involving a barter system where teachers offer courses in exchange for student places. Participating schools must also have an 'e-Dean' available to provide support to its students.

However, legal and policy barriers limit further growth, innovation and collaboration. Because Te Kura dual tuition is free for schools to use, there is no incentive to use other providers. To secure the sustainability of these communities, policy settings may need to change to provide for a level playing field so that schools and students have a choice as to which setting they use.

## CONVENTIONAL AND DISTANCE EDUCATION ARE CONVERGING

The differences between conventional and distance education are becoming fewer, mainly due to the growth of digital technology. Students are now able to learn anywhere, anytime.

Te Kura's courses will be fully online-only from 2019. Virtual communities of learning, like Net NZ, also take advantage of digital technology to provide distance education options to students.

Conventional and distance education will continue to converge. As a result, we envisage the role of a specialist correspondence school diminishing over time. Even geographically isolated students will have more options in the future through digital technology if we enable the right policy conditions.

It's time to change the way we think about distance learning in New Zealand. If we are proactive in our approach, we can harness the best of both worlds by incentivising collaboration within virtual communities of schools to deliver a blended model of face-to-face and virtual learning.

## OPTIONS FOR THE FUTURE

We have identified four options for the future of distance education in New Zealand:

1. removing minor regulatory barriers to increase autonomy of correspondence education
2. [Redacted] **Out of scope**
3. enabling correspondence educators to become "schools of choice"
4. enabling mainstream schools to carry out correspondence education functions

<p><b>OPTION ONE:</b> Remove minor regulatory barriers to increase autonomy of correspondence education</p>		<p><b>OPTION THREE:</b> Enable correspondence educators to become "schools of choice"</p>	<p><b>OPTION FOUR:</b> Enable mainstream schools and CoLs to carry out correspondence education functions</p>
<p><b>Objective</b> Increase flexibility, reduce transaction costs and lessen the administrative burden on correspondence educators</p>		<p><b>Objective</b> To increase engagement and achievement by giving students more choice</p>	<p><b>Objective</b> To allow other schools to assume a distance education role, increasing participation and achievement via choice</p>
<p><b>Description</b> Correspondence education operates in a prescriptive regulatory environment relative to other schools. The Education Act 1989 (the Act) primarily focuses on face-to-face education, and provisions relating to correspondence education do not always sit comfortably within the overall scheme of the Act.</p> <p>Te Kura has suggested the following amendments:</p> <ul style="list-style-type: none"> <li>• CEs are state schools, which means that leadership staff (principals/CEOs/senior management) must be registered teachers. Removing this barrier would require legislative amendment – either to change the status of CEs from being a school, or carving CEs out from the requirement for leadership staff to be registered teachers.</li> <li>• Criteria for access to correspondence education are spread across legislation (the Act) and regulation (the Enrolment Policy). The same is also true of provisions relating to charging fees. These instruments are at times contradictory and create uncertainty. If codified in the Enrolment Policy, access and fee-charging criteria could be removed from the Act, improving clarity and certainty.</li> <li>• Te Kura cannot provide access to - or charge - state school students for "dual tuition" where this access is not government-funded (e.g. In schools with rolls above 600), or paid for by the enrolling school. There are two questions here – whether these students should have access, and if so, who should pay for the access given the requirement that students have a 'free' education.</li> <li>• CEs must have fee schedules approved by the Minister.</li> <li>• Terminology in the Act is out-of-date. For example, "correspondence" education does not accurately reflect the nature of modern, digitised, "distance education".</li> </ul>	<p>Out of scope</p>	<p><b>Description</b> The scheme of the Act indicates that CEs should only be an option to students where they cannot 'reasonably attend' a face-to-face school. The Act establishes CEs as "gap-fillers" in the schooling network (ie. CEs are complements, not competitors).</p> <p>At present, CEs may only enrol students who qualify for access under the Act and within the Enrolment Policy. These rules act as a proxy "enrolment zone". (However, students aged 16+ already can enrol with Te Kura by choice).</p> <p>This option would relax the criteria for entry into CE and students could enrol in CEs at will. These students would not need to physically attend school, but would learn in another environment (eg. at home).</p> <p>This option would require legislative amendment to change the scheme of the Act, and would remove the necessity for an Enrolment Policy.</p>	<p><b>Description</b> Te Kura is the only CE in New Zealand. Unlike mainstream schools, it does not have to compete with other schools for enrolments (and associated funding). It is the only school that:</p> <ul style="list-style-type: none"> <li>• can enrol students who do not need to physically attend school</li> <li>• is funded by government to provide curriculum and delivery support to other schools.</li> </ul> <p>This option would enable mainstream schools to make distance education offerings to one another, and even to traditional correspondence students (eg. geographically isolated). Currently, schools are not incentivised to collaborate in this manner. This is in part because they can access dual tuition through Te Kura with government funding, in addition to their Ops Grant. In order for this option to work, it would be necessary to remove government-funded dual tuition.</p> <p>This option would capitalise on the increasing convergence of conventional and distance education, which has come about with the growth of digital technology. Groups of schools are already sharing curriculum delivery support, but unlike Te Kura they are not funded to do so.</p>
<ul style="list-style-type: none"> <li>✓ Simplified CE regulatory regime reduces transaction costs and increases autonomy.</li> <li>✗ Permitting CEs to have leadership staff who are not registered teachers may create a precedent in the system. Additionally, it is not clear why a CE should be granted an exemption from this requirement (ie. what makes CEs different than any other state school?). It may be possible for Te Kura to hire skills required, into non-'teaching' role.</li> <li>✗ Allowing CEs to charge domestic students for access to dual tuition would mean that Te Kura is the only state school with the ability to charge students for curriculum delivery. This runs contrary to the principles of free schooling and would mean that Te Kura is the only school with this revenue stream. 600 cut-off assumes schools can offer adequate curriculum depth, and approving access on government-funded basis is essentially another operations grant subsidy.</li> <li>✗ Removing Ministerial oversight for Te Kura's fee schedule carries risks, given that it is a monopoly provider to some fee-paying students.</li> </ul>		<p>✓ Will allow a greater choice of schools for students. ✓ Flexibility in the delivery of CE allows students to study at a time and pace which suits them. ✓ CEs may be able to offer a broader selection of subjects.</p> <p>s 9(2)(g)(i) OIA</p> <p>✗ Face-to-face schooling enables the state to monitor the wellbeing of children and young adults. CE reduces the visibility of these students and may mask wellbeing concerns.</p> <p>s 9(2)(f)(iv) OIA</p> <p>✗ May shift Te Kura's emphasis away from the keystone role it plays in the current schooling network configuration. ✗ This proposal would increase Te Kura's roll, which is already very large compared to international counterparts.</p>	<p>The specific configuration of this option has not been determined, but a number of examples exist. For example, the Virtual Learning Network has been used as a platform for a variety of virtual schooling networks. One of these – NetNZ – requires a small buy-in from each school, and has a bartering system to ensure that all schools are incentivised to collaborate. Those that cannot barter can pay a fee.</p> <p>The government could take a number of different positions under this option. It could: loosen regulatory settings and let schools trade services in a free market, provide infrastructure (eg. IT services for a virtual hub) or provide direct financial/resourcing incentives to support collaboration.</p> <ul style="list-style-type: none"> <li>✓ Introduces competition into the provision of education to the traditional correspondence school student market, driving improvements.</li> <li>✓ Can leverage off CoLs and incentivise collaboration within the CoL model.</li> <li>✓ s 9(2)(f)(iv) OIA</li> <li>✓ Increases cross-pollination of expertise between schools.</li> <li>✓ Allows smaller schools to deliver a broad curriculum.</li> <li>✗ It is unclear what the relative effectiveness between distance and face-to-face learning would be under this option.</li> </ul>

## OPENING UP THE MARKET

### OBJECTIVES

- To increase the number of designated distance education providers in the New Zealand education system
- To create a modern and flexible regulatory framework
- To better support innovative practice in distance education

### OUTCOMES SOUGHT

- Increased student choice, which can have a positive impact on student engagement and achievement
- Increased expertise in distance pedagogy across New Zealand
- Distance education students distributed across several providers, reducing the likelihood of one provider being especially large

### PROBLEM DEFINITION

- Te Kura currently has a monopoly on state-funded distance education
- This is problematic because:
  - Te Kura supports all state-funded distance education students in New Zealand – full-time and dual-enrolled – which makes it much larger than any other school in the country (c24,000 students in one year)
  - Te Kura has to be all things to all people – from elite sports students to second chance learners to the most disadvantaged to ‘ordinary’ students who can’t access particular subjects through their own school
  - students seeking access to distance education do not have a choice as to which provider best meets their needs
  - it may limit opportunities to spread distance education pedagogical expertise
- The proposal to allow open access to correspondence education, which could lead to a (potentially significant) increase in the number of students seeking education through this medium, increases the importance of making the market accessible to more providers
- Te Kura was not intended to be a monopoly provider – the Education Act 1989 envisages multiple state-funded correspondence schools (s152)
- However, a correspondence school can only attract state funding if it is designated as a correspondence school under the Act, and there are several reasons why no other state-funded correspondence schools have been established.
  - *The current legislation is restrictive*
    - Only State schools that are not integrated schools can become correspondence schools under the Act (s152)
  - *The current legislation is inflexible*
    - Under the Act, schools have to be either a correspondence school or a face-to-face school – they cannot be both. This provision made sense at the time the regime was created (1922), when the face-to-face and distance pedagogies were very different. Now, however, 21<sup>st</sup> century technology is driving a convergence between the two, and many face-to-face schools are developing capability in distance pedagogy. The current legislation means that they cannot share this on a state-funded basis
  - *The current legislation is administratively burdensome*

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- The governance etc. arrangements for correspondence schools under the Act are different to those for face-to-face schools, and require more Ministerial involvement – for example, the board of a correspondence school is appointed by the Minister (s95), and the Minister must approve the fee schedule of a correspondence school (s7A)
- Although there is only one state-funded correspondence school in New Zealand, other providers of (part-time) distance education exist – particularly virtual learning networks such as Net NZ, which sees schools collaborating amongst themselves to share expertise and resources. These networks use a 'market model', with schools either exchanging tuition services in kind or paying a fee in order for their students to access tuition from another school in the network.
- These networks do not have any legal status, so cannot be designated as a 'correspondence school' under the Act, and therefore cannot receive state funding. They are also heavily reliant on relationships to make them work, which presents a risk to long-term sustainability.

## LEGISLATIVE LEVERS

### Option 1

- We could **amend the Act to make it more permissive** as to who could be a distance education provider. We could do this by either:
  - specifying on the face of Act a broader range of types of entity that the Minister could designate as distance education providers (e.g. some combination of partnership schools, integrated schools, private schools, networks of schools, tertiary providers, other providers)
  - being non-specific on the face of the Act, but including in the Act a provision that allows the Minister to set criteria that those seeking to become distance education providers must meet in order to be designated
- Of these, the second option gives greater flexibility (second objective), so is likely to have greater longevity in a rapidly-changing educational landscape.
- The second option also allows us to manage the transition to open access more effectively, by initially setting relatively restrictive criteria to enable closer management of the new system with a small number of providers, then relaxing them as the new approach beds in.

### Implications of option 1

- The greatest opportunity to bring new providers into the market under option 1 is by enabling networks of schools to become designated distance education providers for the purposes of the Act. These networks already exist, but do not have legal status so rely on relationships to sustain them. In order to enable networks to become designated distance education providers we would have to explore options to formalise their status.
  - See below ('Further work needed') re networks of schools considerations

### Option 2

- We could **amend the Act to make it clear that a school can be both a distance education provider and a face-to-face school**

### *Implications of option 2*

- This option would have implications for attendance, enrolment, staffing entitlement and governance provisions in the current legislation.
- It would need to be very clear which students within a 'mixed model' school are face to face students and which are distance students
- Under current legislation, the process for appointing board members is different for face-to-face and correspondence schools. We would need to align these to avoid unnecessary and confusing administrative arrangements (e.g. two boards)
- Funding implications (see below)

### **Further work needed**

- Do we want to distinguish between distance education providers for full-time and dual-enrolment purposes? For example, a full-time provider might need to be able to provide a full curriculum (or close to it – see below), whereas a dual-enrolment provider might only offer one subject?
- Curriculum coverage
  - How much of the curriculum would a designated provider of full-time distance education be required to offer?
    - Full curriculum?
    - Core subjects, with option to dual enrol students in other schools for non-core subjects?
    - Only one subject, plus ability to source the rest of the curriculum from (an) other school(s)?
- Networks of schools
  - Would a NoS need to become a legal entity? If so, what would this mean for administrative requirements? Would these be so burdensome as to be off-putting?
  - Enrolment
    - Would a student enrol in the 'network' as an entity?
      - If so, what would this mean for the responsibilities of the network around pastoral care etc?
    - Or would a student enrol in one school within the network, but have access to the others? In which case could the student choose which school to enrol in (as some may offer different pastoral care services, for example), or would there be a 'lead provider' that enrolled all the distance education students in the network?
- Enrolment zones?
  - Is this another way for students/families to get round enrolment zones?  
Do we want to set enrolment zones for distance education in the same way we do for face to face education?
- Funding implications
  - Te Kura is funded differently to face-to-face schools, with 40% as base funding in bulk, and then a price-per-EFTS rate of \$3,714 on top of that. The overall average EFTS funding rate is marginally lower than for face-to-face schools.
  - The funding mechanism for Te Kura reflects the higher student-teacher ratio, the lower property costs etc.

s 9(2)(f)(iv) OIA

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- Impact on Te Kura
  - o Could opening the market threaten Te Kura's viability? What if there is a mass exodus?
  - o Do we want to guarantee the continued viability of Te Kura to maintain a safety net for those students who need (rather than choose) distance education – geographically isolated, at-risk etc.?

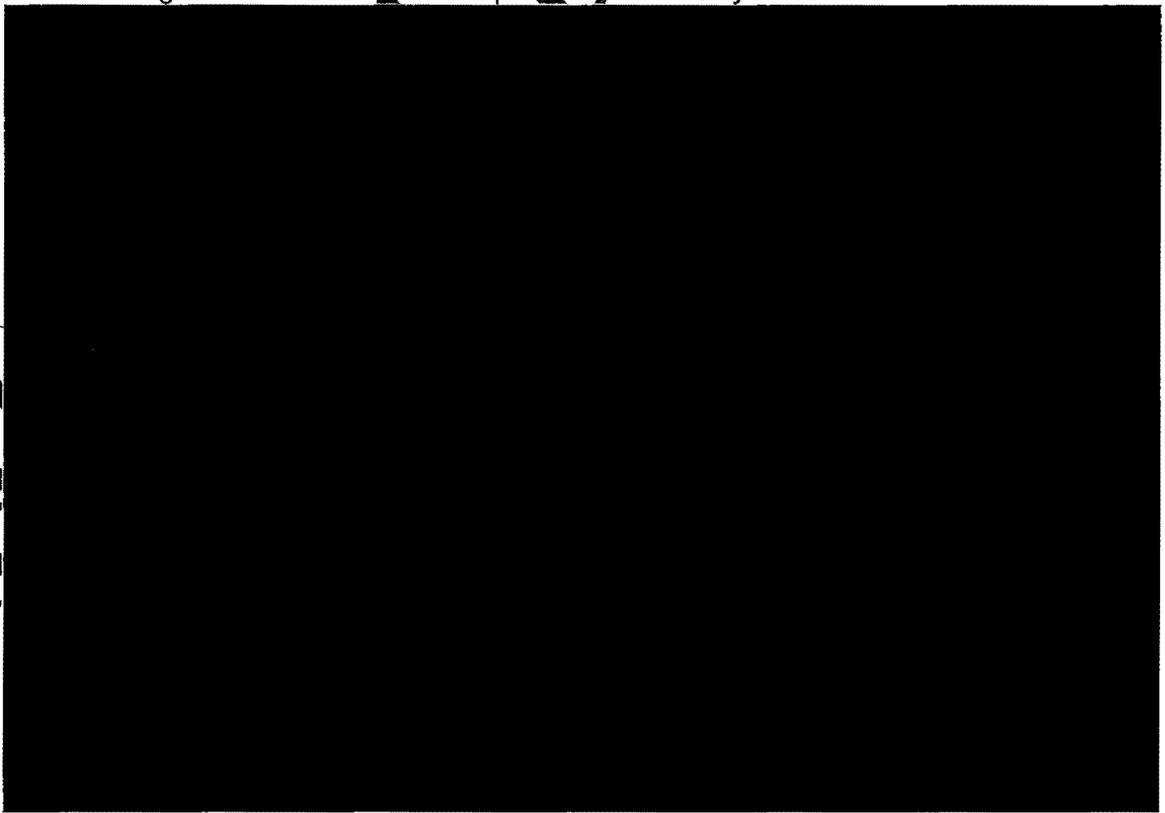
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#### FUNDING LEVERS

- Currently, as the only designated correspondence school under the Act, Te Kura is the only school to receive government funding to provide dual tuition to students who meet the dual tuition gateways criteria, at no cost to the enrolling school.
- The legislative options explored above are designed to encourage more designated distance education providers into the system.

s 9(2)(f)(iv) OIA



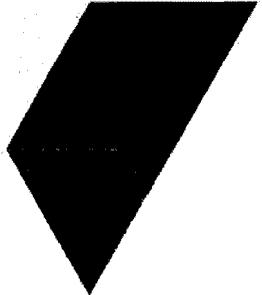
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#### OPEN ACCESS ISSUE

- Exclusion – can distance education providers exclude? In practice Te Kura can't exclude full-time students under 16 at the moment because they don't have anywhere else to go, but if there were more providers in the system this might change.

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## BRIEFING NOTE: Policy Proposals for Updating the Education Act 1989 – Draft Cabinet Paper

Date:	31 March 2016	Priority:	High
Security Level:	In Confidence	METIS No:	990317
Approved by:	Ellen MacGregor-Reid, Deputy Secretary, Strategy, Planning and Governance	DDI/Mob:	[Redacted] s 9(2)(b) OIA

Education Act

[Redacted]

Out of scope

[Redacted]

Out of Scope

### Proposals for the update of the Act

[Redacted]

Out of scope

7. The Cabinet paper includes proposals already consulted on and additional proposals that have been discussed at our clinics with you on the update of the Act. These new proposals are:

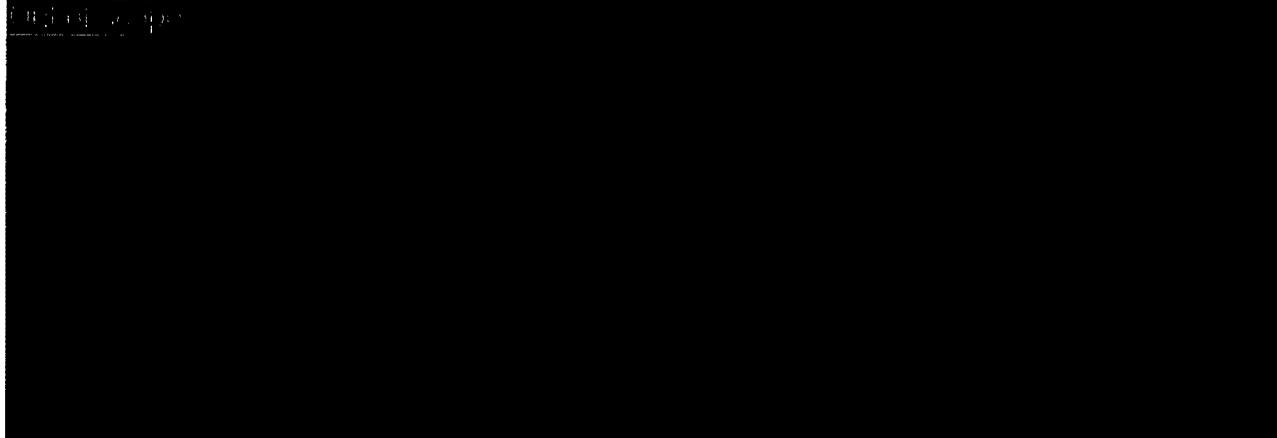
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Out of scope

- making more efficient use of distance education (Te Kura) – following a submission from Te Kura

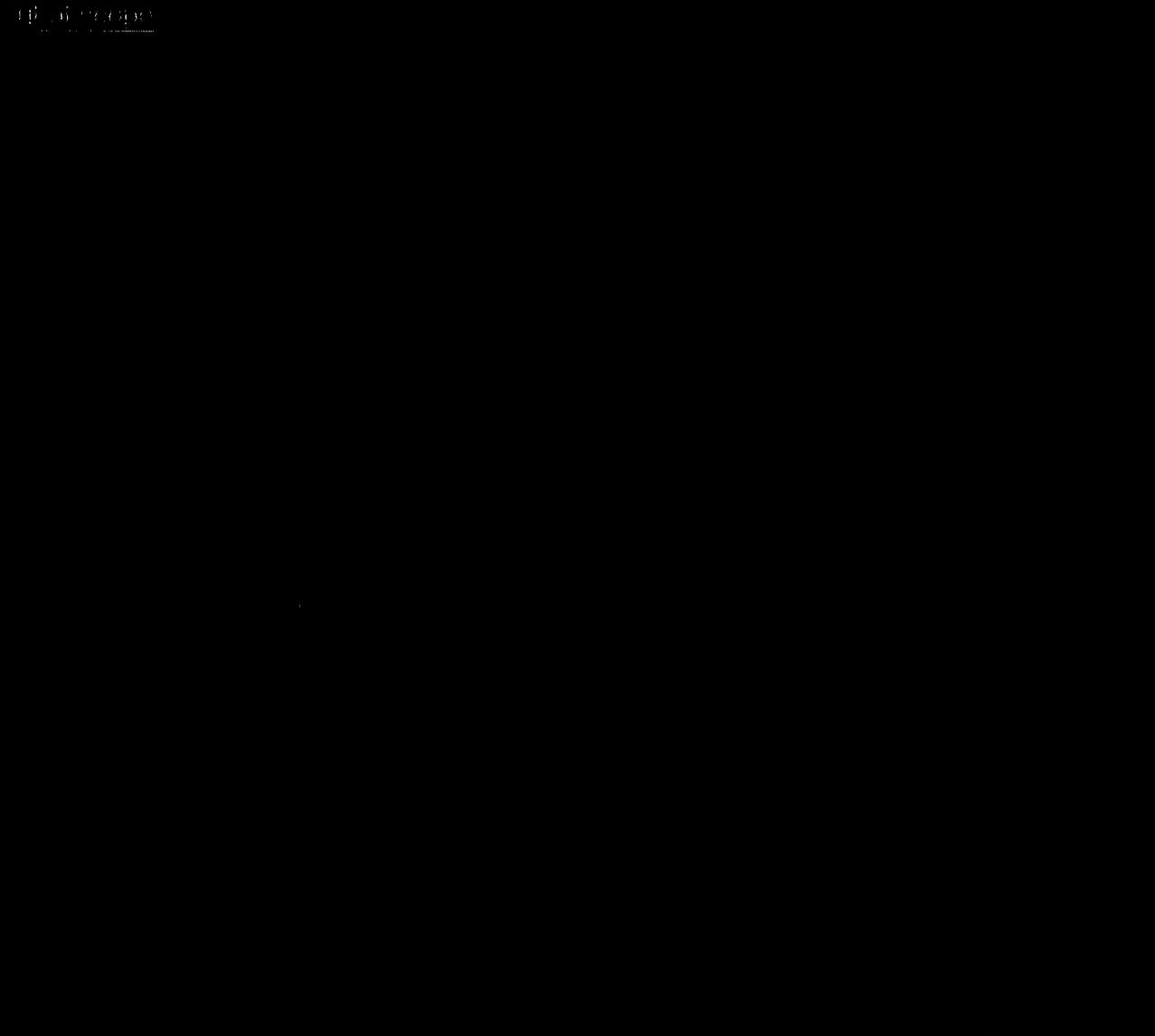
Out of scope

16.14.14

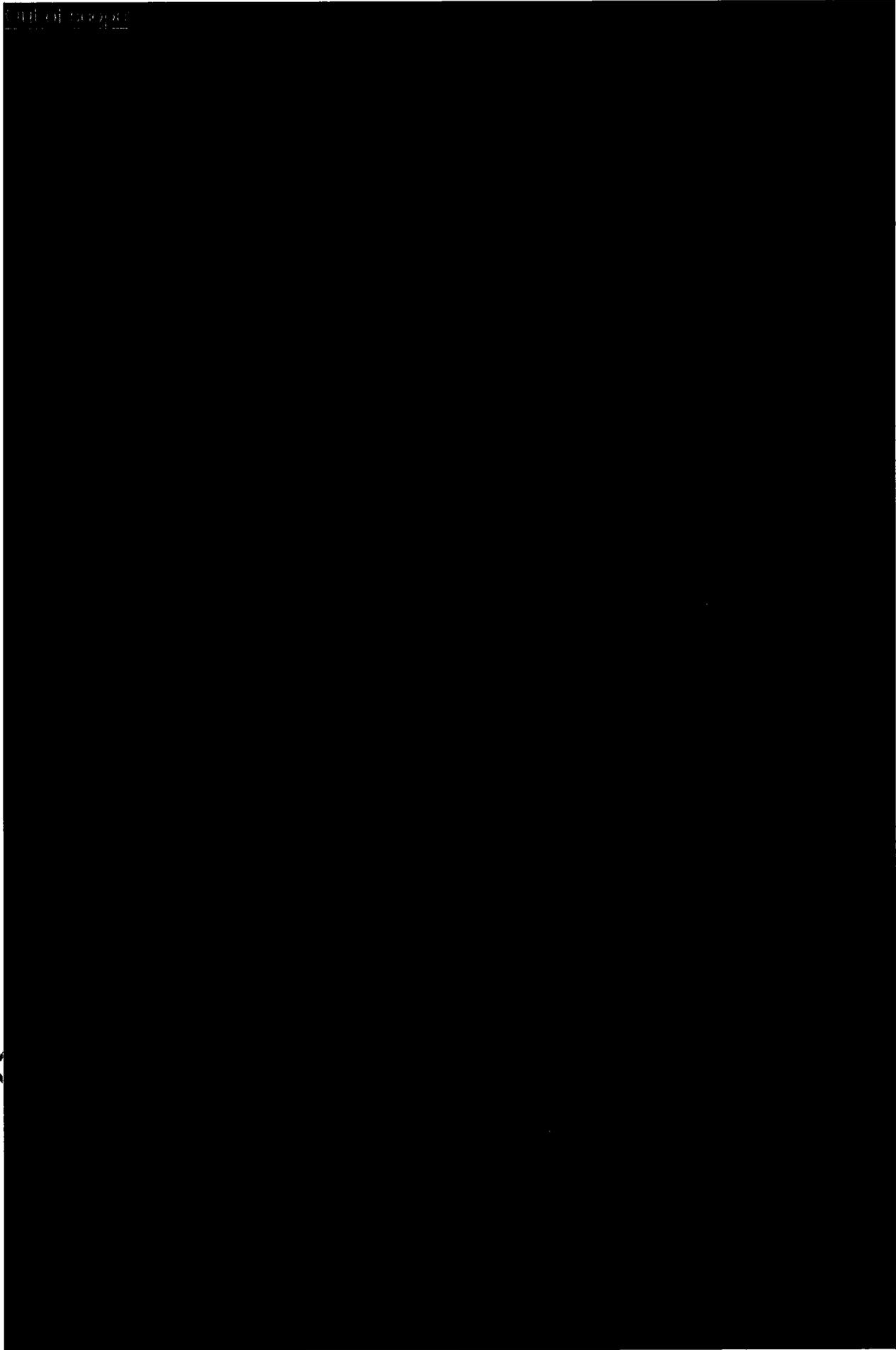


16. The changes related to Te Kura are the subject of an upcoming clinic with you. The draft Cabinet paper includes relatively minor amendments to streamline the regulatory framework for distance education. More significant changes, such as enabling open access to Te Kura, would require additional text on rationale, implications, and risks.

16.14.14



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Out of scope

40. To progress this work we have proposed a new Part 12 of the Act that:

Out of scope

- expands the ability of state schools to provide distance education

Out of scope

#### Required Appendices

43. As mentioned above, the complex nature of the proposals for legislative change means that the Cabinet paper requires a number of appendices that contain detail for drafting. These include:

Out of scope

- detail of changes to correspondence education



44. We are continuing to refine the content of the appendices.



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## Updating correspondence (distance) education policy settings

### Status Quo

The Education Act 1989 conceptualises correspondence education as a complement to face-to-face schools. The default policy position is that students should, wherever possible, attend a face-to-face school, but that correspondence schools exist as a safety net to fill any gaps, in order that the system provides an education to every child (e.g. students who are geographically isolated). Enrolment criteria are fixed by notice in the Gazette, and act in a manner similar to an enrolment zone.

A correspondence provider can only attract state funding if it is designated by the Minister of Education as a correspondence school under the Act. New Zealand has only one such correspondence school (Te Aho o Te Kura Pounamu – 'Te Kura'), although the Act enables multiple providers.

### Problem definition

#### *Regulatory and funding settings act as a barrier to other providers entering the correspondence education market*

Under s152 of the Act, only 'a state school that is not an integrated school' can be designated as a correspondence school. This excludes partnership schools, integrated schools, private schools, networks of schools, and non-school providers such as tertiary institutions. The Act also requires a school to be *either* a face-to-face school *or* a correspondence school, but does not allow it to be both. These provisions restrict both the nature and the form of potential correspondence schools.

#### *The Te Kura enrolment policy has outgrown the scheme of the Act*

Despite the scheme of the Act being clear that correspondence education is intended as a complement to face-to-face schooling, there are now some cohorts of eligible students who are able to choose to enrol in correspondence education rather than in a face-to-face school. These include those aged 16 and over, adult second-chance learners, home education students and young parents. Thus, the legislative settings do not always reflect the role that correspondence schooling is actually playing in the network now.

Te Kura has grown significantly since its establishment, as the categories of students who are eligible for correspondence education have expanded. In 1922, it catered for fewer than 100 primary school students who were geographically isolated, from itinerant families or in poor health. In 2015, it enrolled over 24,000 students for a broad range of reasons.

#### *There has been a significant convergence in the concepts of traditional and correspondence education*

Digital technology is driving a convergence between face-to-face and correspondence education, with both models increasingly adopting a delivery approach that mixes both distance and face-to-face elements ('blended' or 'hybrid' learning).

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Around the country, face-to-face schools are joining together to form virtual networks that enable schools to share expertise and to provide a broader curriculum. Under the current legislation, these networks cannot become designated providers of correspondence education, so must be self-funding.

***The convergence of face-to-face and correspondence education suggests a need for a more flexible regulatory environment to enable the distance education market to keep pace with sector change.***

## Options for change

Two broad options:

1. enable a wider range of education providers to deliver distance education
2. enable distance education to be an alternative to face-to-face schooling (open access)

### Option 1

- Amend the Act to enable:
  - state and other specified schools (or networks of schools) to deliver distance education, either full or part-time, or on a subject-by-subject basis, while also delivering face-to-face schooling
  - tertiary or other providers to be able to deliver distance education to the compulsory schooling sector, either full or part-time, or on a subject-by-subject basis.
- Maintain the Minister's ability to set enrolment criteria – either generic criteria or criteria specific to a particular provider.
- Limit dual tuition to two subjects to manage costs.
- Ensure that at least one provider is not able to refuse enrolment for traditional correspondence school students, who are not able to enrol in a face-to-face school, to maintain a safety net.

### Impacts

- Eligible students would have a choice as to which provider they enrol with.
- Providers would be competing with each other to enrol eligible students.
- Puts virtual networks on a level playing field with Te Kura.
- Student choice may raise the quality of delivery and may drive efficiency in current spend.
- Minimal impact on physical face-to-face network and not likely to lead to an increase in demand for full-time distance education.

### Option 2

- Change the overall scheme of the Act so that any student could choose distance education as an alternative to a face-to-face schooling option.
- A more flexible funding system, where the funding follows the student, would be necessary to reduce the risks of students being double funded.

### Impact

- Distance education providers would be able to compete for all students (full-time, part-time and by-subject students).
- Would open up face to face or distance education choice for all full-time students.

- Unclear whether distance education will have a positive impact on student achievement. Evidence suggests that distance education alone is unlikely to improve student achievement in aggregate. Research suggests that a blended learning approach is likely to be the best option.
- Research suggests that students learning by distance need to be self-directed and motivated, not all students will succeed under distance education, without additional support that is available at school
- May result in churn, which will drive up the cost of schooling
- May have an impact on physical network if large numbers transition to full-time distance education (e.g. empty classrooms and schools).
- Other providers may not enter market in medium term so results in significant growth in an already large Te Kura

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1. As part of the Education Act Update, the Minister is proposing to redevelop Part 12 of the Act, which contains the provisions for the Minister to establish all schools, including correspondence schools. This provides an opportunity to consider how the designation of correspondence schools should operate in a 21st century environment, in which the boundaries between distance education and face-to-face education are no longer as clear as they were in 1989.
2. The Act currently establishes a regulatory framework that clearly separates correspondence education from face-to-face education. It allows access to correspondence education only where students cannot attend a reasonably convenient local school, and it does not allow a school to be designated as both a face-to-face and a correspondence school. If the way we think about distance education changes, these provisions will also need to change, because students are likely to increasingly be enrolled in blended programmes of distance and face-to-face education.
3. While a redeveloped Part 12 could carry forward the concept of designating correspondence schools as distinct from face-to-face schools, this would not reflect existing educational practice. Face-to-face schools are increasingly providing distance learning through virtual networks, and Te Kura is progressively increasing its options for face-to-face interaction between students and teachers through its student advisories and its face-to-face pilot for at risk students.
4. We therefore recommend changing the Act to enable any type of school to be designated as a distance education school (the modern equivalent of the current term correspondence school). This would be something that could be added to or removed from a school's designation in the same way that student year levels can currently be added or removed from a designation.
5. Maintaining a designation requirement for distance education provision is important for both quality monitoring and fiscal management purposes. It would also enable ongoing management of the physical schooling network, by enabling the Minister to manage the impact of distance education on small and isolated schools.
6. To manage the fiscal implications of enabling more schools to be designated as distance education providers, the Act would continue to enable the Minister of Education to set enrolment criteria for government-funded access to distance education. This is important because Te Kura (New Zealand's only correspondence school) and face-to-face schools are currently funded through separate funding systems, with dual enrolment students funded in both settings.

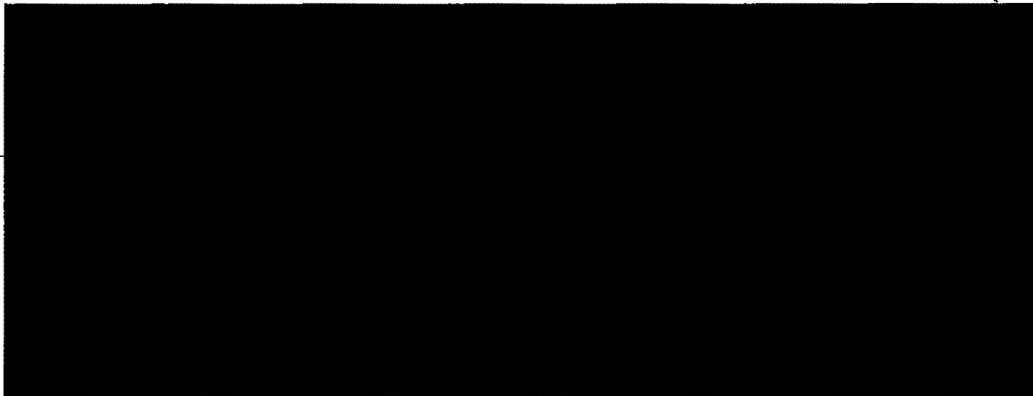
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7. We should also consider amending the Act to remove the legislative barriers to students choosing to enrol at a distance education school as an alternative to a face-to-face school ('open access').

8.



9. Finally, the Act could make it clear that distance education providers could charge fees for students who were not entitled to government-funded access. This would work in a similar way to the provision that already enables schools to charge fees for classes they offer outside normal school hours, such as night school options.

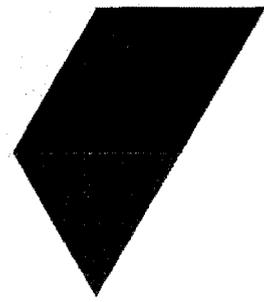
10. The most significant impact of these proposed changes would be that eligible students would have a choice as to which distance education provider they enrol with. There is evidence to suggest that having choice can increase student engagement, which in turn can lift educational achievement.

11. Enabling schools that are part of virtual learning networks to become designated distance education providers under the Act would give these schools more flexibility in how they support at-risk students. For example, students who are currently referred to Te Kura through psychosocial gateways may be able to remain enrolled in their face-to-face school but take online classes. Networks made up of schools are able to provide pastoral care and extra-curricular activities, as well as a broad learning programme, which will better suit the needs of some students.

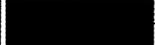
12. As more distance education providers are designated, this approach would be likely to spread existing demand for distance education across providers. This is likely to reduce the size and scope of Te Kura over time. We think that these impacts on Te Kura are likely to be outweighed by the ability of students to access more localised distance education options, with stronger support from their face-to-face school. Smaller, more tightly focused or niche distance education providers are a characteristic of distance education provision overseas.

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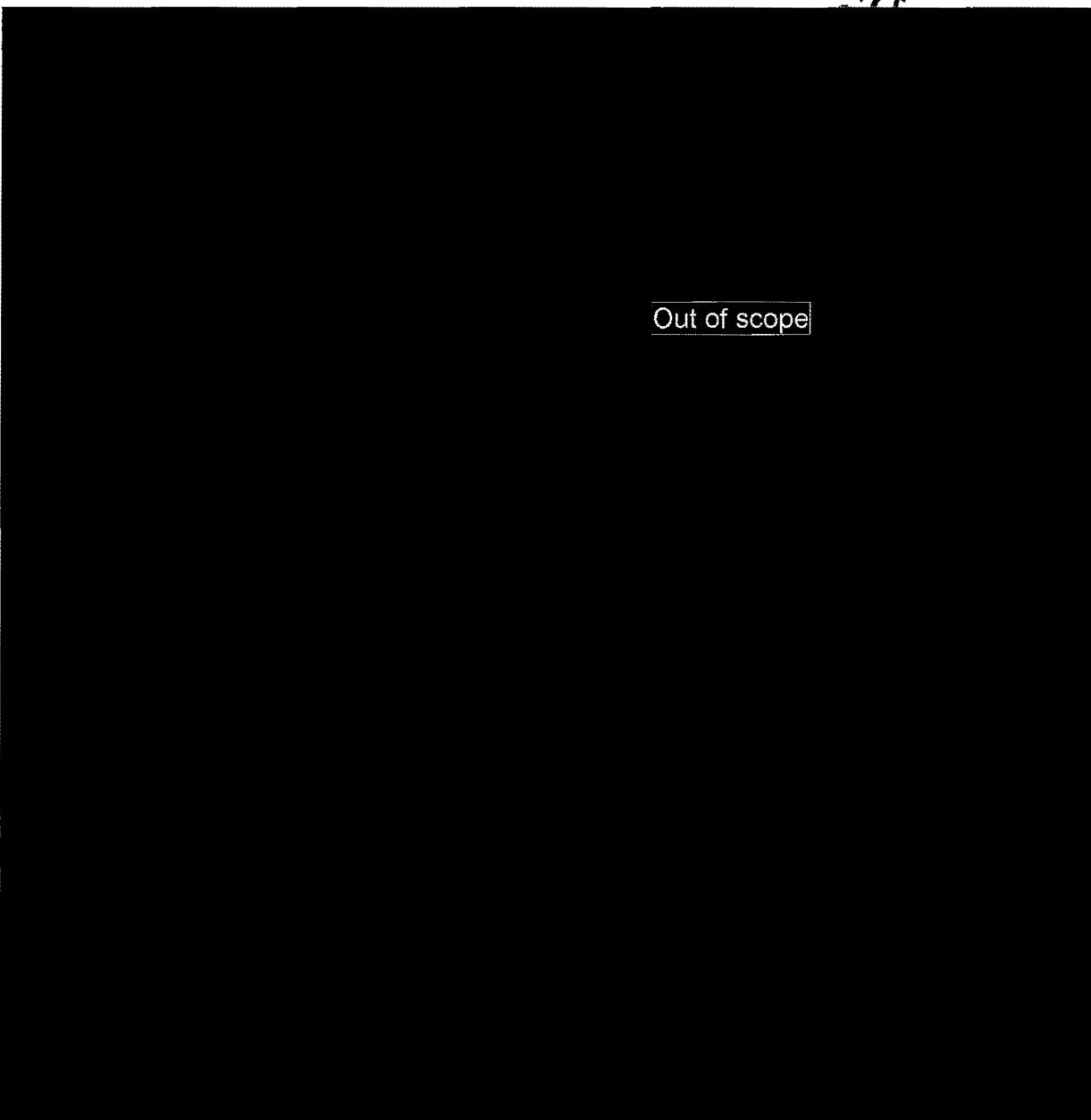
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## BRIEFING NOTE: Policy Proposals for Updating the Education Act 1989 – Draft Cabinet Paper

Date:	26 April 2016	Priority:	High
Security Level:	In Confidence	METIS No:	990317
Approved by:	Ellen MacGregor-Reid, Deputy Secretary, Strategy, Planning and Governance	DDI/Mob:	 s 9(2)(a) OIA

Education Act



Out of scope

B

Out of scope

*Distance education/Te Kura*

13. This week we will provide you with an Education Report on proposed legislative amendments relating to distance education and Te Kura.
14. Any legislative amendments that you wish to proceed with can be included in the second Cabinet paper recommended to go Cabinet Social Policy Committee on 1 June.

Out of scope

POTENTIAL CHANGES TO LEGISLATION

Out of scope

**[A] Enabling more providers to be designated as providers of distance education**

The boundaries between distance education and face-to-face education are no longer as clear as they were in 1989 and are likely to continue converging.

The Act currently separates correspondence schooling and face-to-face schooling and restricts the form that providers can take. In legislation, schools must be either a face-to-face school or a correspondence school.

However, this does not reflect existing educational practice. Face-to-face schools and tertiary providers are increasingly providing distance learning online and Te Kura is progressively increasing its options for face-to-face interaction between students and teachers.

We propose a less restrictive regulatory regime to enable a wider range of providers to deliver distance education.

This will help the education system manage the continued convergence of correspondence schooling and face-to-face education, while spreading existing demand for distance education across providers (that may develop niche areas of focus). This also gives more choice to eligible students.

To manage the fiscal implications of enabling more designated providers, the Act would enable the Minister of Education to continue to set providers' enrolment criteria.

REFER SUP INFO  
PAGE 2

**[B] Opening up access to distance education for all students**

The Act also restricts access to distance education to students who cannot conveniently access a face-to-face school. We could keep this restriction while enabling more providers to enter the market [Box A], so that existing demand is spread across more providers.

However, Te Kura has asked that we open up access to distance education so that any student of compulsory schooling age can participate. We could amend the Act to remove the legislative barriers that currently restrict access, while continuing to manage access through gazetted enrolment policies. This is a more flexible approach, making it easier to open access over time.

We could also enable any student who is already enrolled in a face-to-face school to purchase additional tuition from a distance education provider for a fee.

s 9(2)(f)(iv) OIA

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PAGE 2

Out of scope

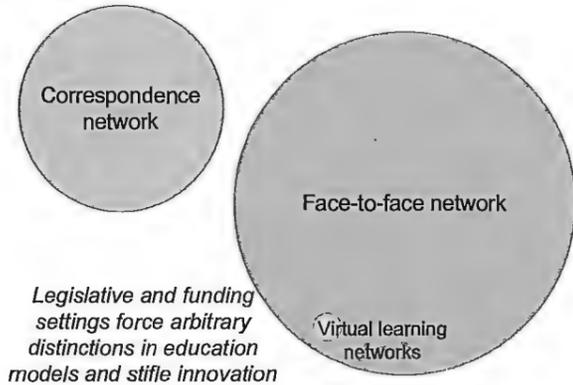
**Key decisions sought**

- Indicate whether you would like us to proceed with amendments to the Act that would:
  - enable any type of education provider, including schools, Communities of Learning, networks of schools and tertiary providers, to be designated by the Minister of Education as a provider of distance education [Box A]
  - remove legislative barriers that restrict students enrolling in distance education as an alternative to face-to-face schooling [Box B]
  - continue to enable the Minister of Education to set enrolment criteria for distance education and to approve criteria, set out in enrolment policies, for providers of distance education
  - enable providers of distance education to charge fees to domestic students who wish to enrol in dual tuition courses over and above their government- and school-funded entitlement.

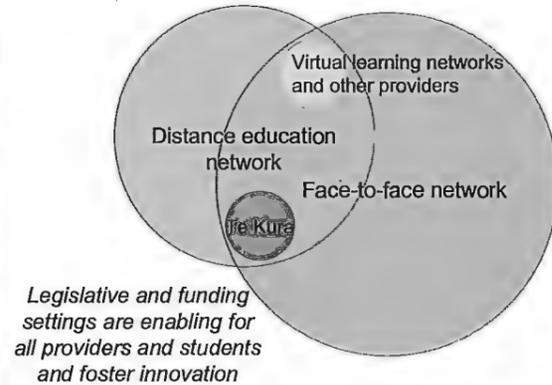
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Out of scope

PRESENT STATE



FUTURE STATE



A NEW REGULATORY FRAMEWORK FOR DISTANCE EDUCATION

We propose enabling more providers to be designated as providers of distance education

- The Act currently separates correspondence schooling and face-to-face schooling and restricts the form that providers can take. Only a state school may become a correspondence school, but it could not continue to provide face-to-face education as well.
- This does not reflect existing educational practice. Face-to-face schools are increasingly providing a 'blended learning' approach that incorporates online learning as well as face-to-face learning, often through networks of schools. In addition, Te Kura is progressively increasing its options for face-to-face interaction between students and teachers.
- We propose changing the Act to enable any type of provider, including face-to-face schools, Communities of Learning, networks of schools and tertiary providers, to be designated as a provider of distance education. This approach begins to shift distance education towards being a mode of delivery rather than an institutional form.
- To manage the fiscal implications of having more designated providers of distance education, the Act would continue to enable the Minister of Education to set enrolment criteria for enrolment.
- As more providers are designated, this approach would be likely to spread existing demand for distance education across providers. This is likely to reduce the size and scope of Te Kura over time and enable providers to develop niche areas of focus, in line with international models.

We could also open up access to distance education for all students

- The Act restricts access to distance education to students who cannot conveniently attend a school. Te Kura has asked that we open up access to distance education so that any student of compulsory schooling age may participate.
- We could amend the scheme of the Act to remove the current legislative barriers to open access. We could instead manage access through the designation power and gazetted enrolment policies. This is a more flexible approach, making it easier to open access over time.
- Opening access to distance education creates a higher likelihood of student movement within the system, so under current funding arrangements double-funding of face-to-face and distance education could become common. Maintaining enrolment criteria that continue to limit access to distance education will enable us to manage the fiscal risk this creates.

We could also enable providers of distance education to charge fees

- We propose enabling providers of distance education to charge fees for students who fall outside of enrolment criteria for government-funded access. This would effectively mean that families could purchase additional distance education options for their children in the same way that they are able to purchase other online resources from private providers.

IMPACTS

Enabling more providers

- Schools within virtual networks would be put on a level playing field with Te Kura, resulting in the growth and sustainability of these networks.
- Providers, including Te Kura, may become smaller, and each provider may develop market niches, consistent with providers overseas.

Opening up access

s 9(2)(f)(iv) OIA

- There may be an impact on the physical network if large numbers transition to full-time distance education (e.g., empty classrooms and schools). This impact can be managed through the designation power and the ability to restrict entry through enrolment policies.
- Waiting until we have more than one provider in the system before opening up access manages the risk that expanding the scope of distance education could lead to significant growth in an already large Te Kura.
- It is unclear whether distance education would have a positive impact on student achievement.
- Increased access to distance education could be used as an off-ramp by some students.
- International evidence suggests that distance education is not appropriate for all students and that, in an open access system, some students are likely to 'churn' back and forth between distance and face-to-face providers until they find the setting or provider best for them, which could risk achievement.
- Research suggests that a blended learning approach is likely to be the best option. The designation process allows us to ensure that providers are established under optimal conditions.

Charging fees for additional tuition

- This could be seen as conflicting with the right to free education. We would need to be clear in enrolment policies about what the government will fund and what schools will be expected to fund.

KEY FEATURES

The Education Act 1989 currently separates correspondence schooling and face-to-face schooling.

- Correspondence education:
  - is a complement to face-to-face schooling, rather than as an option that can be blended with, or be an alternative to, face to face provision
  - is only an option for students who cannot attend a reasonably convenient face-to-face school
  - can only be provided by state school, designated as such under the Act. Schools cannot be both a face-to-face provider and a correspondence school.

Technology is changing the distinction between face-to-face and correspondence education...

- Schools are increasingly able to offer online learning as well as face-to-face learning ('blended learning').
- Technology is rapidly enhancing the ability of schools to collaborate - across the country groups of schools have joined together to form virtual learning networks.
- Unlike correspondence education, virtual learning networks are self-funded.

... and Te Kura's role within the education network has changed significantly.

- In 1922, Te Kura catered for fewer than 100 primary school students. It now caters for 24,000 students of all ages.
- Some students can also enrol in Te Kura by choice - those aged 16 and over, second chance learners, home educated students, young parents.
- Like face-to-face schools, Te Kura is evolving its delivery model to enable elements of a blended learning approach - it will have 80% of its staff based in the regions so that students have access to face-to-face support.

KEY FEATURES

- The convergence of face-to-face and correspondence education (now called distance education) suggests a need for flexible regulatory framework that will work now and in the future.
- These changes have the following key features:
  - increased student choice, which can have a positive impact on student engagement and achievement
  - better support for innovative practice, including the sustainability and growth of virtual learning networks
  - increased and spread expertise in distance and blended learning pedagogy
  - distribute students across several providers, enhancing the development of niche specialist providers
  - through competition, increased quality of providers in the distance education network
  - increased efficiency in the use of the distance education network
  - the ability to broaden access provisions and enable increasingly open access to distance education in the future, if conditions to do so are right.

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FUNDING

TIMELINE

- Alternative providers could start entering the market once the Bill comes into force in 2017.
- Providers could be enabled to have open-access enrolments once the above criteria have been met. The timeframe for this is uncertain.

**FILENOTE: Tertiary providers and distance education**

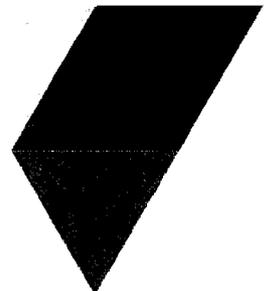
**Current legislation**

- Under s25B ('Release from school'), a principal can give permission for a student of compulsory schooling age to receive tuition from a tertiary provider.
- This is generally used for gifted secondary school students who are looking to take a tertiary class.
- In practice, this means that a dual tuition student could already access a distance course through a tertiary provider, as long as they have their principal's permission to do so.
- There also does not seem to be a barrier to a student of post-compulsory schooling age enrolling in a tertiary distance provider of the school curriculum

**Implications for full-time attendance at a tertiary distance education provider**

- A student of compulsory schooling age could not enrol full-time with a tertiary provider of distance education, even if it was designated as a distance education provider under a new regime (as this would contravene s20 which requires attendance at a registered school, and they would not have a school principal from whom to seek permission under s25B).
- There are a number of different way of addressing this issue:
  - We could limit access to a designated tertiary provider to students of post-compulsory schooling age only, by putting a restriction in the enrolment policy applying to tertiary providers. This would be the simplest way of managing the issue, would not require legislative change (other than change to enable a tertiary provider to be designated) and would ensure that compulsory school-age students do not enrol in a provider that may not have registered teachers etc.
  - We could require that a tertiary provider that wants to offer teaching to compulsory schooling age students would need to set up a subsidiary schooling part of its organisation. This would effectively mean that it would have to go through the process of establishing a new correspondence school, employing registered teachers, setting up a school board etc. This would provide safeguards for students, but would be a very bureaucratic process. A tertiary provider who really wanted to do this could already do so under the Act. The fact that none have to this point suggests that there is little appetite amongst tertiary providers for going through this process.
  - We could amend the legislation to explicitly enable a compulsory-schooling-age student to attend, on a full-time basis, a tertiary provider that is designated as a distance education provider under the Act. This may be an additional provision under s21 (home schooling exemption). We would need to make sure appropriate safeguards are in place.

Released under OIA



## BRIEFING NOTE: Further Policy Proposals for Updating the Education Act 1989 – Draft Cabinet Paper

<b>Date:</b>	18 May 2016	<b>Priority:</b>	High
<b>Security Level:</b>	In Confidence	<b>METIS No:</b>	1000554
<b>Approved by:</b>	Andrea Schöllmann, Deputy Secretary, Education System Policy	<b>DDI/Mob:</b>	 s 9(2)(a) OIA

### Purpose

1. This briefing note provides you with the first draft of a Cabinet paper on further policy proposals for the update of the Education Act 1989 (the Act). The draft Cabinet paper covers:

 Out of scope

- modernising correspondence education to reflect 21st century learning.

 Out of scope

Out of scope

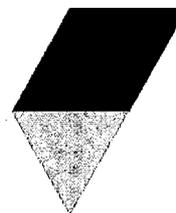
*Modernising correspondence education to reflect 21st century learning*

10. Following our clinic with you on 10 May, we have developed text for the draft Cabinet paper on regulatory changes to modernise correspondence/distance education. This includes the proposal to make it easier for the Minister of Education to designate a provider as a distance education provider, along with most of the changes requested by Te Kura.

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Out of scope

Released under the Official Information



**Briefing Note: Materials for Ministerial Consultation on Further Policy Proposals for Updating the Education Act**

<b>Date:</b>	01/06/2016	<b>Priority:</b>	High
<b>Security Level:</b>	In confidence	<b>METIS No:</b>	1000544
<b>Approved by:</b>	Dr. Andrea Schöllmann	<b>DDI:</b>	[REDACTED]

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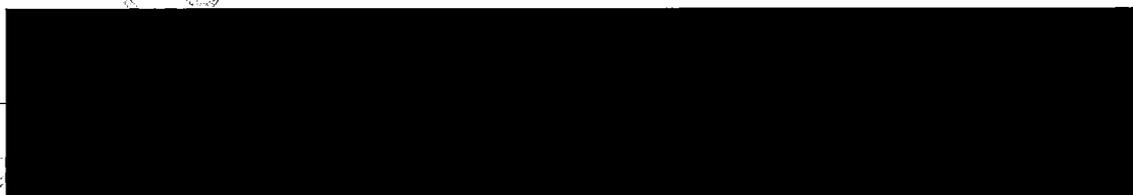
**Purpose**

1. This note provides an updated draft Cabinet paper and materials to support Ministerial consultation on further proposals for the Update of the Education Act 1989 (the Act).
2. In addition to the revised draft Cabinet paper, there are two appendices attached:
  - Appendix One contains talking points for you to refer to in your engagement with Ministers
  - Appendix Two contains specific points to support your conversation with the Minister for Tertiary Education, Skills and Employment on the proposal that will enable tertiary education institutions to be designated as providers of on-line education to school-aged students.
3. We have also attached an A3 summarising the major proposals contained in the paper.

**Context**

4. The draft Cabinet paper includes the following proposals:

Out of scope



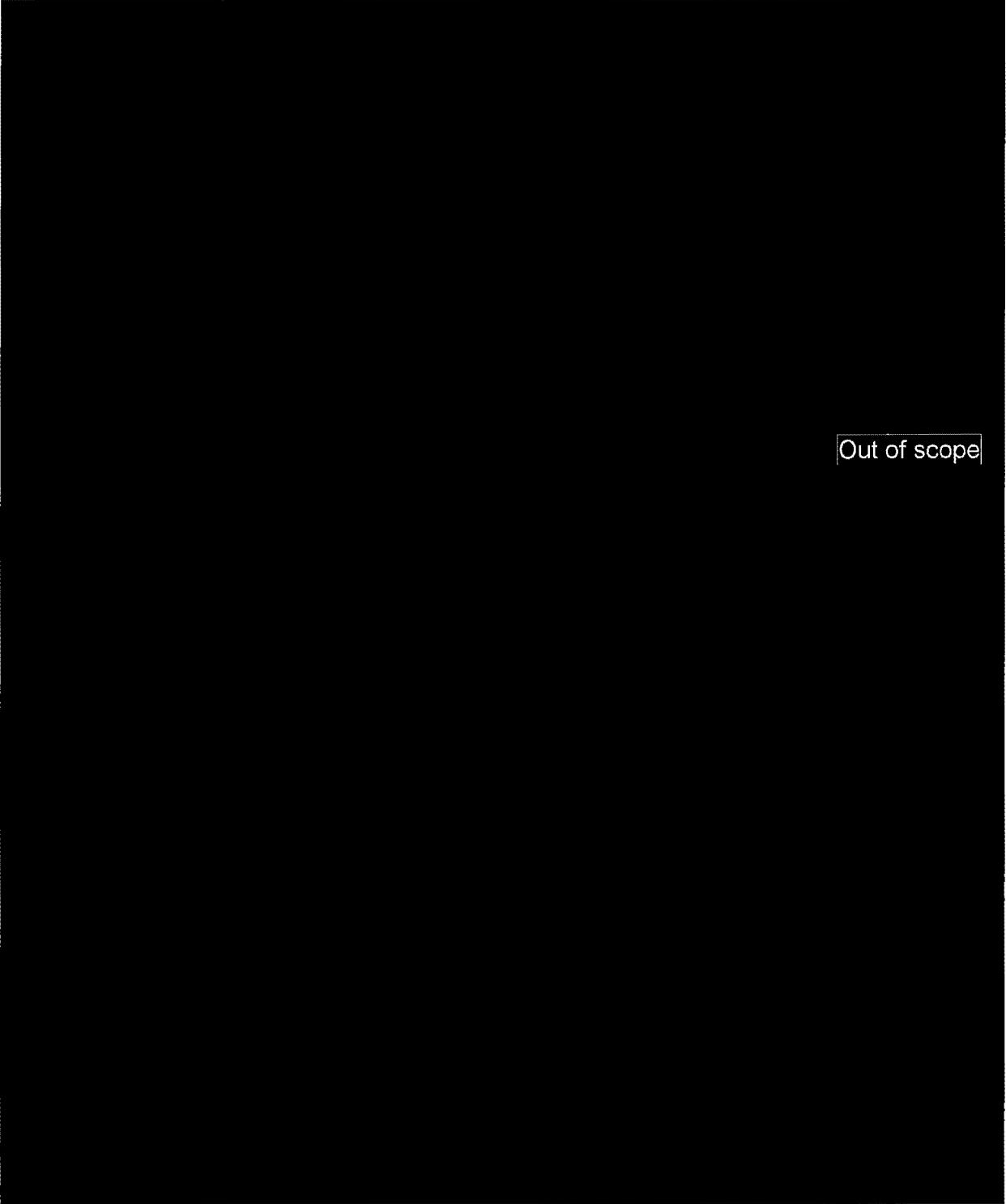
- proposals to enable contestability in the provision of on-line education, and enable school-aged students to enrol in on-line education as an alternative to face-to-face schooling

**We get the job done** Ka oti i a mātou ngā mahi  
**We are respectful, we listen, we learn** He rōpū manaaki, he rōpū whakarongo, he rōpū ako mātou  
**We back ourselves and others to win** Ka manawanui ki a mātou me ētahi ake kia wikitoria  
**We work together for maximum impact** Ka mahi ngātahi mō te tuinga nui tonu  
**Great results are our bottom line** Ko ngā huanga tino pai ā mātou whāinga mutunga



- a proposal to enable the Minister of Education to exempt the principal of Te Kura from being a registered teacher, and
- proposals to enable Te Kura, and providers of on-line education, to charge fees.

Out of scope



Out of scope

**Enabling contestability in provision, and open access to, on-line education**

17. In May 2016 you asked us to explore ways to provide broader access to on-line education for a wider cohort of students. The second Update Cabinet Paper includes proposals to:

- enable contestability in on-line education provision by giving the Minister of Education the power to recognise schools and TEIs as providers of on-line education (PDEs) on application
- enable school-aged students to enrol in on-line education (subject to specified Enrolment Policies for individual PDEs) as an alternative to face-to-face schooling
- make specific changes relating to the functions of providers of on-line education, including fee-charging capabilities and other regulatory matters.

*Enabling contestability in on-line education provision*

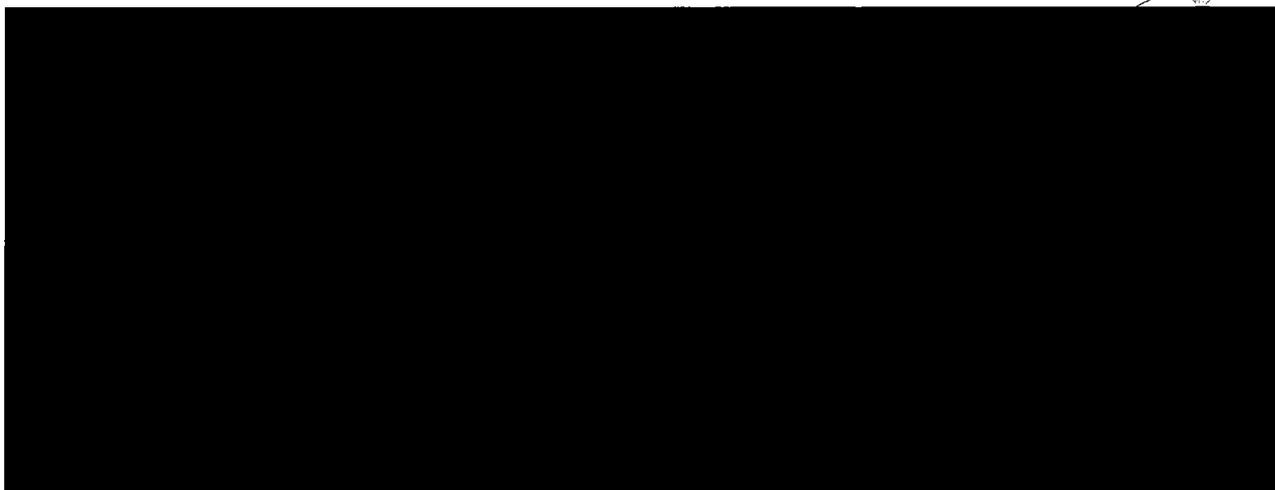
18. At present, there is only one formally recognised provider of distance education for school-aged students – Te Aho o Te Kura Pounamu (Te Kura/The Correspondence School). It has a monopoly on full-time distance education to school-aged students and is the only school that receives government funding to provide, by distance, supplementary tuition to students enrolled in other schools.
19. The draft Cabinet Paper proposes that on-line education become an additional function of existing registered schools and TEIs. These organisations could deliver on-line education where recognised by the Minister of Education. We recommend that you discuss the proposal that tertiary institutions be able to deliver on-line education schooling provision with the Minister for Tertiary Education, Skills and Employment.
20. Applications would be considered by the Minister of Education, who would have discretion whether or not to designate a school as a PDE. The Minister would consult with the boards of other schools that the Minister has reason to believe might be affected by the designation. The new purpose statements that will underpin Part 12 of the Act would apply (except for Partnership Schools). Recognition would be granted through *Gazette* notice. For applications from TEIs, the Minister of Education would consult with the Minister for Tertiary Education, Skills and Employment.
21. Providers would need to employ registered teachers and deliver the New Zealand Curriculum. They would be subject to similar reporting and planning requirements as registered schools. The Education Review Office would also review on-line education provision.
22. In granting recognition, the Minister would set rules applying to individual providers of distance education. This would include Enrolment Policies, which act as proxy enrolment zones and control the types of students eligible for enrolment at the provider (e.g.; year levels, specific subjects to be taught, and a maximum roll). Enrolment policies will also function as a fiscal management tool to control the expense associated with the provision of government-funded on-line education.

*Enabling "open access" to on-line education for school-aged students*

23. At present, the Minister of Education has the ability to set criteria for enrolment in correspondence schooling. However, the scheme of the Act prevents the Minister from setting criteria that are not designed to "fill gaps" in the face-to-face system.

24. The draft Cabinet paper proposes that the scheme of the Act is amended to permit the Minister to set criteria for on-line education of a broader nature, including "open access". As noted above, enrolment criteria would be stipulated in Enrolment Policies via the *Gazette* for individual providers of on-line education.

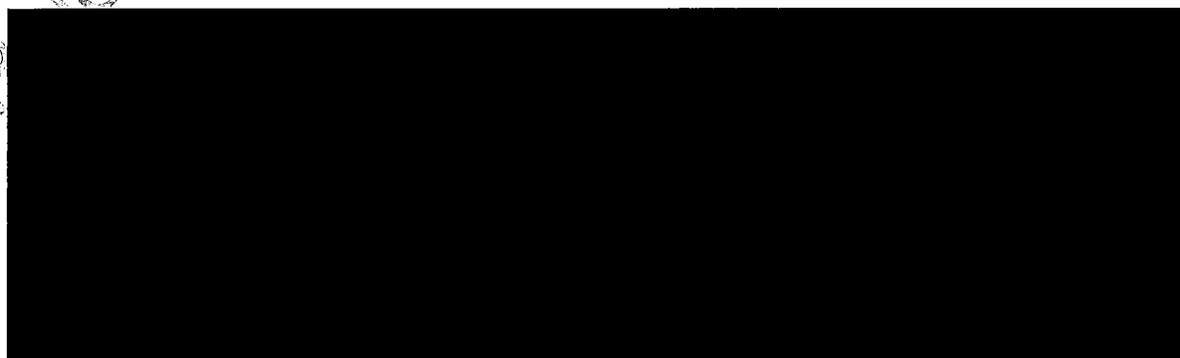
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*Specific changes to the functions of providers of on-line education*

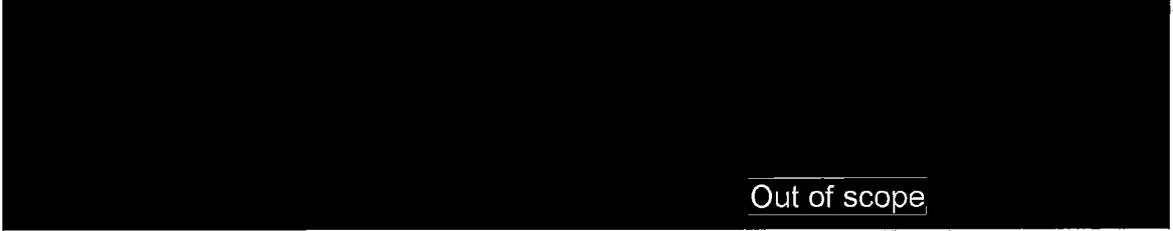
26. The draft Cabinet paper includes a number of changes to fee-paying abilities of providers of on-line education. In brief, these would allow providers of on-line education (including the existing Correspondence School) to:

- set and amend fees for eligible fee-paying students, without seeking the Minister's agreement
- charge domestic students for supplementary tuition above what is available to students through government- or school-funded access
- charge New Zealand citizens and permanent residents aged under 16 for tuition who are based long term overseas and not eligible for government-funded access
- charge international students who are enrolled in a registered school for access to supplementary tuition in addition to what is provided by the enrolling school.



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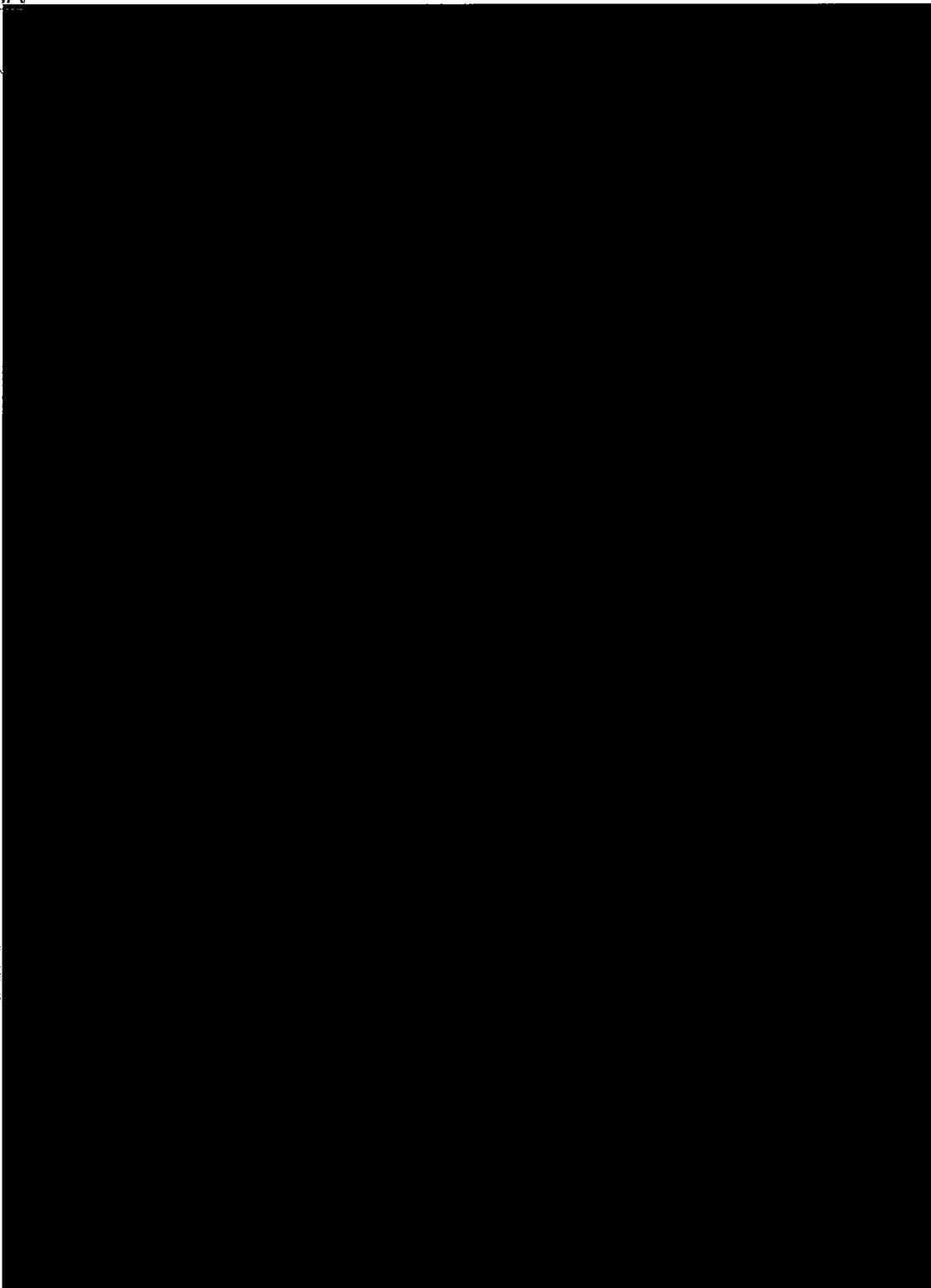
Out of scope

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## Appendix One

### Speaking points for Ministerial consultation on draft Cabinet paper

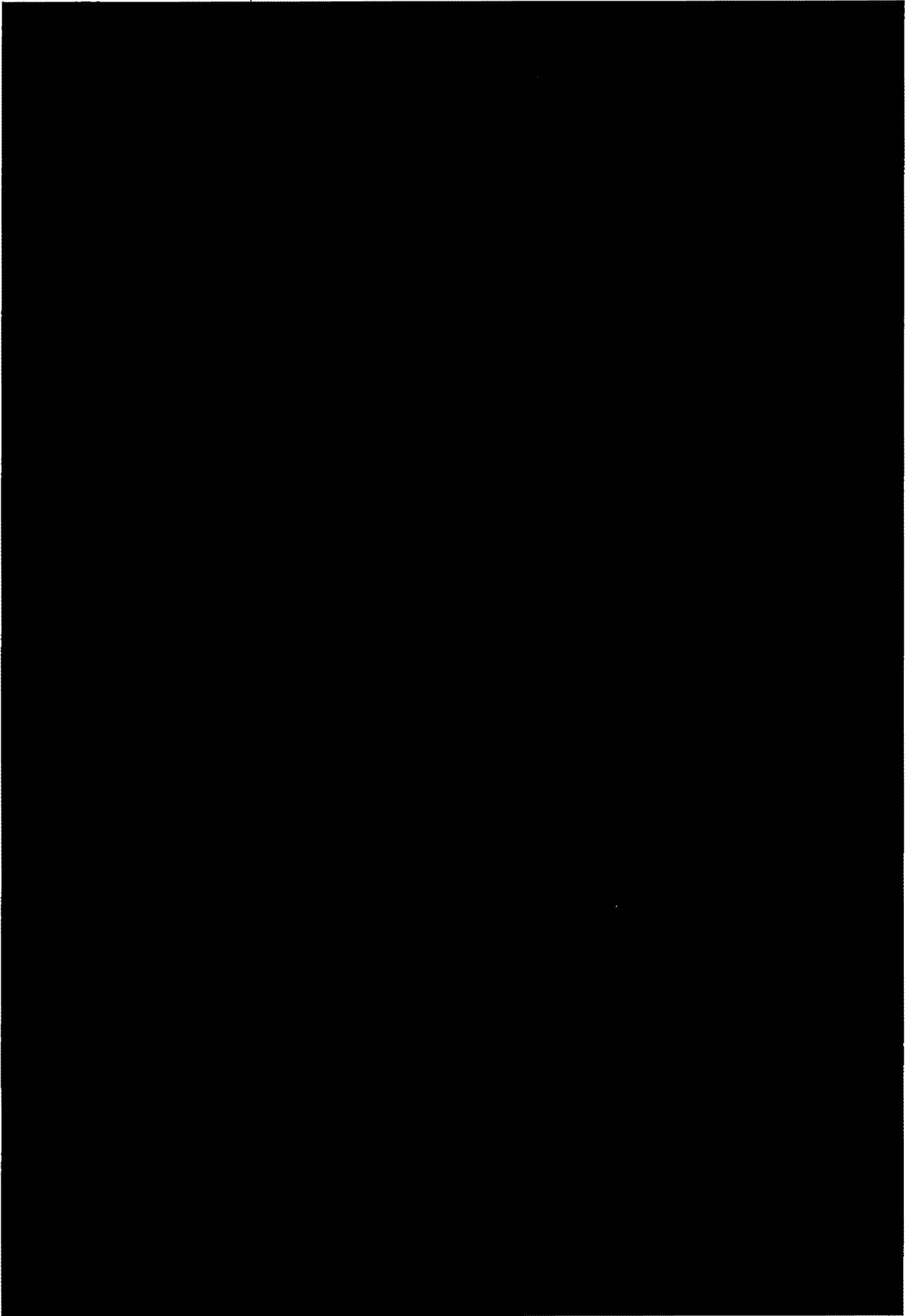
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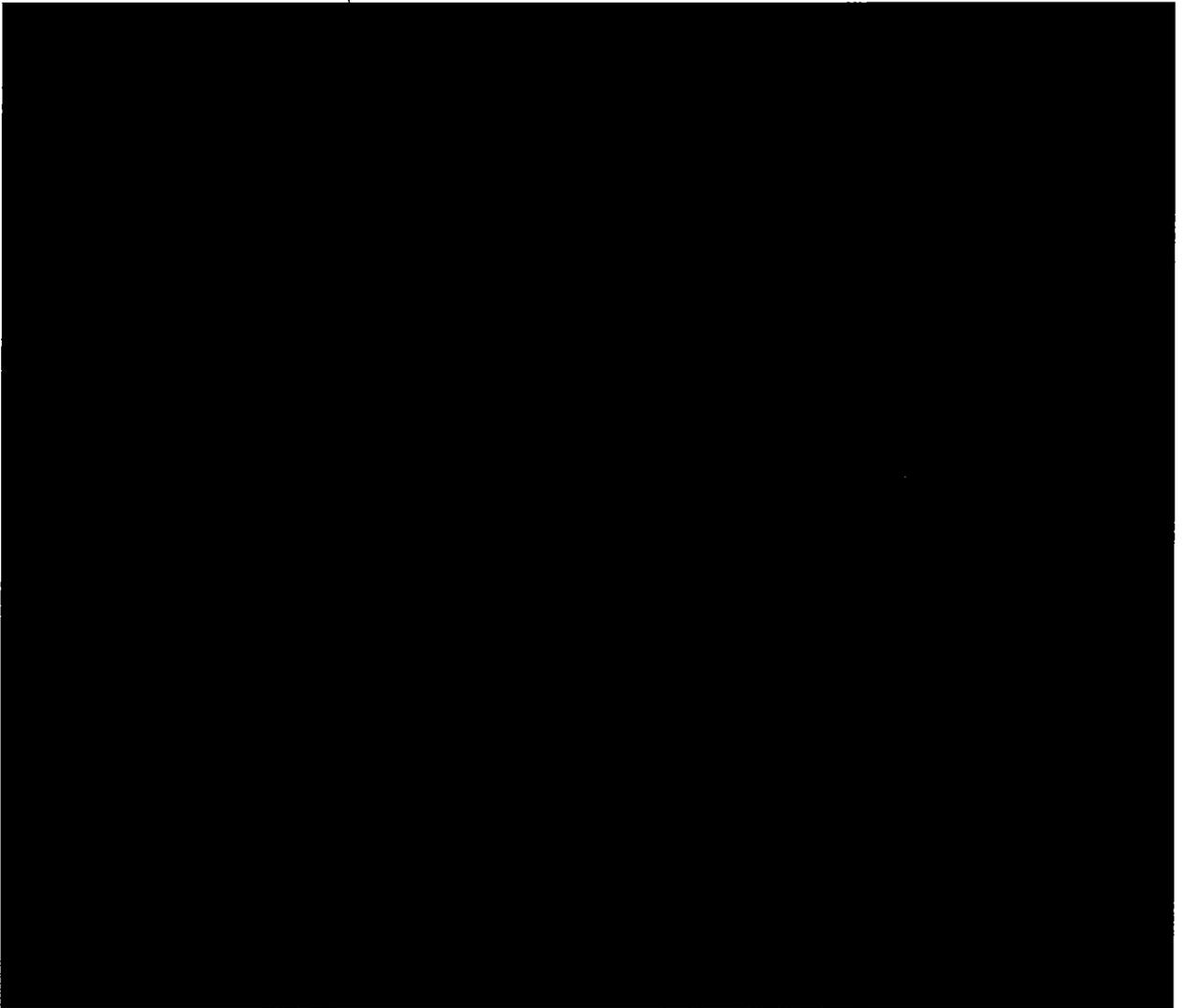
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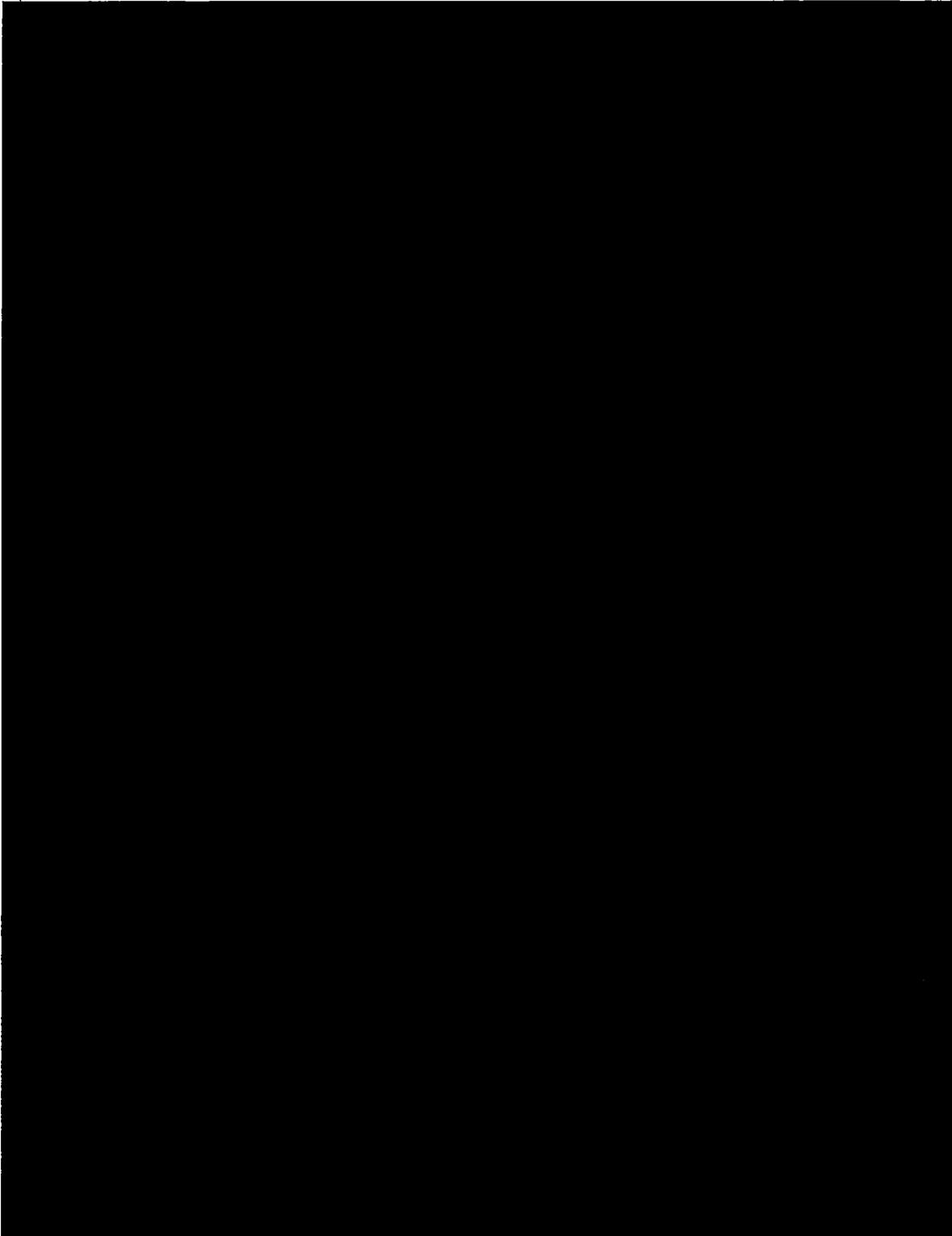


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## Appendix Two

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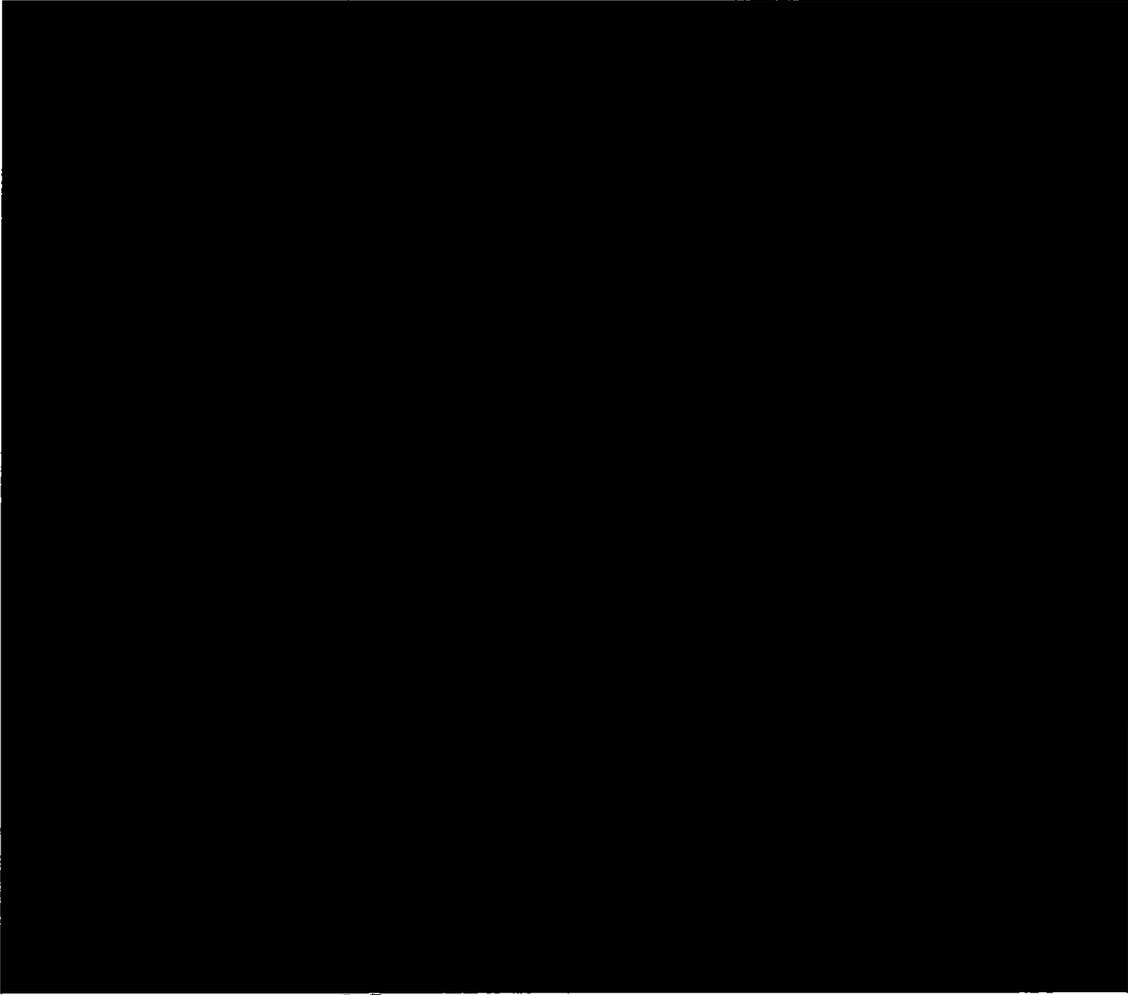
Speaking points for discussion with the Minister for Tertiary Education, Skills and Employment



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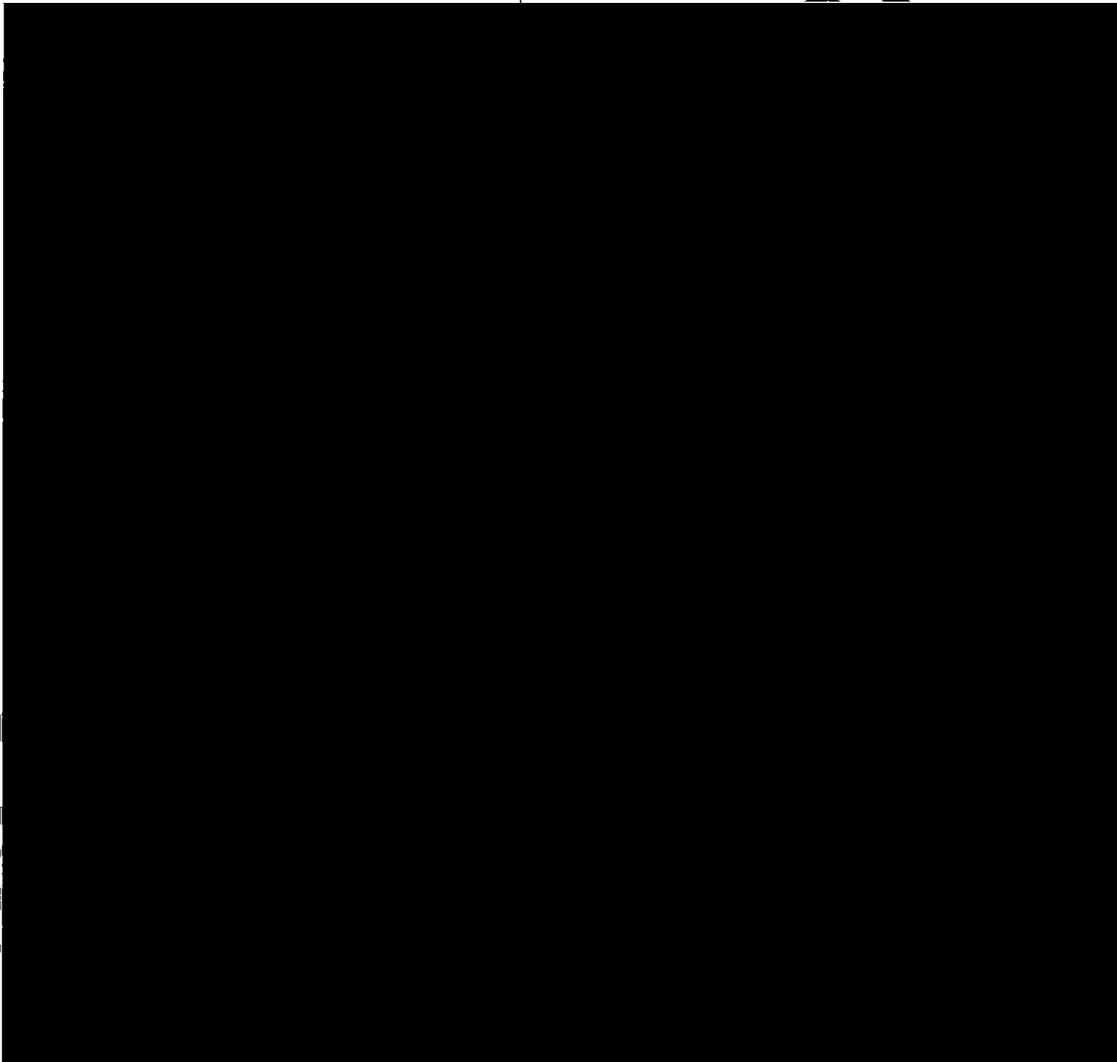
Distance education

'Distance education' is an umbrella term for learning that takes place where the student and the teacher are not in the same place. It encompasses a variety of different modes of learning, including traditional correspondence education (paper and postage), online learning (see below), and 'blended learning' (a combination of online and face-to-face education).

Online learning

'Online learning' describes all forms of computer-mediated educational delivery. It can take place in both face-to-face and distance settings. It is a tool, and can include a range of online modes, such as watching video clips, doing research, participating in online worksheets or quizzes. It does not necessarily mean the teacher and the student are in different classroom or school settings. In fact, the majority of face-to-face schools in New Zealand are already integrating aspects of online learning into their curriculum delivery.

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Out of scope

## Establishing a framework for online learning

### Updating the role of correspondence education and ensuring access to online learning for all students

#### Rationale

Our vision for the education system is one that meets the educational achievement needs of every learner. Technological change has made it possible for students to learn anywhere, anytime, with a delivery model of their choice and an individualised programme that meets their specific needs. Online learning has the potential to give students more flexibility, choice and access to education beyond traditional school boundaries.

The current framework for correspondence education does not reflect the impact of digital technology on the delivery of education. The current legislative settings for distance education are based on an outmoded education model and act as barriers to innovation.

The Act limits the way schools can provide online learning by restricting the types of providers that can be correspondence schools and not permitting schools to be simultaneously designated as both a face-to-face school and a correspondence school. It also restricts students from accessing full-time online learning, except as a last resort.

#### Proposal

I propose to update the role of correspondence education through a new framework for online learning that:

- establishes an accreditation regime that enables any corporate entity—including schools, tertiary providers and private operators—that meets accreditation criteria to be an accredited provider of online learning (POL) to school-aged students
  - accreditation criteria will include employing registered teachers; using the New Zealand Curriculum, National Standards and subjects that align with New Zealand Qualification Framework; and being subject to ERO review
- requires students to enrol in a 'base' school (which could be POL)
  - students now have the choice of learning in a face-to-face school, full-time online learning, or a blend of the two
  - the base school would retain responsibility for students' pastoral care and academic guidance, but could access tuition from POLs.

POLs would be fully funded, as the right to free primary and secondary schooling would apply, but on a different formula to face-to-face schools that reflects the different mode of delivery. A new funding model is necessary to determine the degree to which courses will be government-funded or school-funded.

I also propose amending the regulatory requirements of existing correspondence schools, including removing the requirement that their principal is a registered teacher.

#### Issues to note

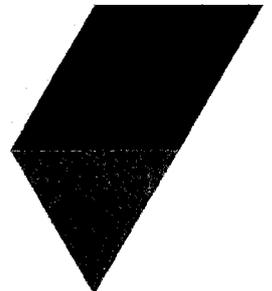
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Research suggests that students can receive benefits from learning online, particularly where online instruction is combined with face-to-face instruction.

Student visibility is decreased when students aren't in a physical school, so full-time access to online learning could be used as an off-ramp out of education for students who don't want to be in school. Stronger accountability settings will ensure the appropriate supports are in place.

Establishing more providers of online learning and enabling more students to access distance education may have an impact on the physical network and financial implications.

§ 9(2)(f)(iv) OIA



**BRIEFING NOTE: Measures to prevent disengagement in students enrolled in providers of online learning**

<b>Date:</b>	17 June 2016	<b>Priority:</b>	Medium
<b>Security Level:</b>	In confidence	<b>METIS No:</b>	1000544
<b>Approved by:</b>	Dr. Andrea Schöllmann	<b>DDI:</b>	██████████ s 9(2)(a) OIA

**Purpose**

1. This briefing note provides an updated draft of the Cabinet Paper that seeks approval for a second set of drafting instructions for the Education Act update. The paper is currently undergoing departmental consultation, with feedback due on Monday.
2. Your office has also asked for advice regarding proposed safeguards to prevent providers of online learning (POLs), as described in the current draft Cabinet paper, becoming an off-ramp for disengaged students. This note provides this.

**Background**

3. You have received a draft Cabinet Paper outlining a proposal to increase the contestability of, and student access to, distance education provision ("online learning"). This includes a proposal to create an accreditation regime for POLs, and to enable school-aged students to choose to enrol in POLs by choice (i.e., "open access").
4. As a part of departmental consultation to date, concerns have been raised about the possibility that POLs may function as an "off-ramp" for students at risk of educational disengagement. While the draft Cabinet Paper contains some proposals to safeguard against this possibility, we recommend strengthening them in some areas. If you agree, we could include this in the Cabinet Paper.

**Context**

5. At present, there is only one formally acknowledged provider of distance learning to school-aged students – Te Aho o Te Kura Pounamu (Te Kura). Achievement and engagement rates at Te Kura are low compared to State school averages. In 2014:
  - a. 47.6% (1,327 out of a total of 2,787) of 18 year olds for whom Te Kura was the last school attended attained NCEA Level 2 or above. This compares to the national total of 81.2% of all 18 year olds achieving NCEA Level 2 or above in 2014.
  - b. 31% of students enrolled in NCEA Level 1 subjects were enrolled in sufficient credits to be able to achieve the qualification in that year.

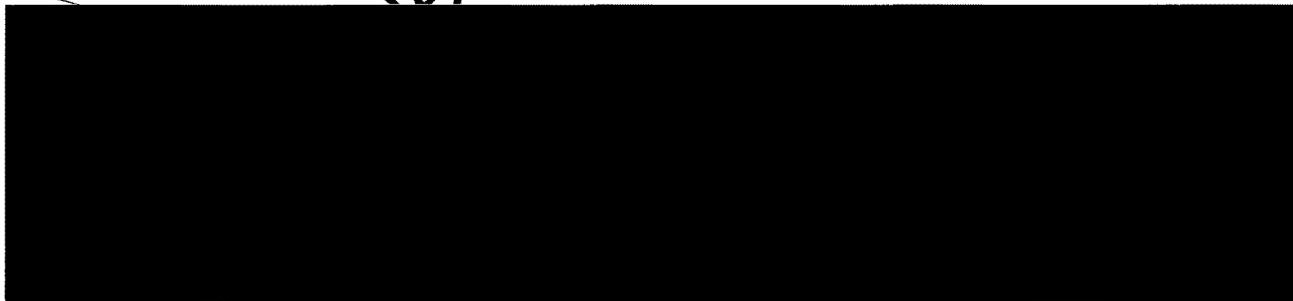
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6. However, the profile of Te Kura's students means that it may be a poor predictor for the likely engagement of all students enrolled in POLs. Though originally established as a traditional correspondence school (serving isolated or itinerant students), policy adjustments over time mean that a significant proportion of full-time students under the age of 16 are disengaged when they enrol in Te Kura. These include students who have been alienated or excluded from face-to-face schools, or who have psychological or psychosocial issues.
7. Te Kura's high proportion of at-risk students has the effect of skewing outcome data for its overall student population. Under the proposals contained in the draft Cabinet Paper, POLs (and Te Kura) would be able to enrol any school-aged student, so that distance education will no longer be restricted to students unable to access face-to-face schooling.

**Measures to ensure student engagement**

8. In our previous advice to you [METIS 867877 & 1000544 refer], we identified a number of risks inherent in distance education provision. One of these risks relates to the potential for POLs to become an educational "off-ramp" for some students. This is because international evidence suggests that distance education as a stand-alone model may not be effective in engaging students who are not self-motivated.
9. We recommend that you consider introducing a power to use the accreditation process to set criteria relating to the characteristics and circumstances of students who can enrol with a POL. Criteria could restrict enrolment of students for whom there is a high risk of disengagement in an online environment, and could apply to all POLs, or to individual POLs. These criteria would be similar to the current approach for Te Kura, which is subject to an approved enrolment policy.
10. If you agree, we will provide an additional paragraph and recommendation for the Cabinet Paper to this effect.
11. The draft Cabinet Paper already includes a number of safeguards that will help to ensure that POLs are not used as an "off-ramp" by some student cohorts.

s 9(2)(f)(iv) OIA



<p>Student accountability</p>	<p>POLs will be responsible for students in the same manner that registered schools are. This means that they will be ultimately accountable for providing a programme of learning, and for the provision of pastoral support (e.g., guidance and counselling).</p> <p>POLs will be subject to the same requirements relating to the reporting of student achievement as registered schools, including reporting on National Standards and NCEA (where age-appropriate).</p> <p>POLs will be subject to periodic reviews from the Education Review Office, in the same manner that State schools are.</p>
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	To be accredited, POLs will need to demonstrate that enrolled students will be adequately supervised.
Attendance	Under the current framework, correspondence school students are exempt from the attendance requirements of the Act. Instead, "attendance" is monitored by a light-touch proxy measure, based on the return of coursework. Attendance at POLs would be more rigorously monitored, and could include, in addition to the return of coursework, participation in online classroom forums and virtual student-teacher interactions.
Quality teaching provision	POLs will be required to employ registered teachers. This requirement will help to ensure that teaching provision is successful in engaging students.

Released under the Official Information Act

**Education Report: Draft Approval for Introduction Cabinet paper and update on the design of the Communities of Online Learning legislative framework**

Executive summary

1. This education report provides you with a progress update on drafting of the Education (Update) Amendment Bill. It also provides a first draft of the Approval for Introduction Cabinet paper for your feedback.
2. We are seeking your confirmation of the approach we have taken on key elements of the legislative framework for Communities of Online Learning (COOLs).
3. Our key recommendations, which you may wish to highlight in the Approval for Introduction Cabinet paper, are::
  - that organisations that are currently required to employ registered teachers continue to be required to do so under the COOL framework, and that organisations that are not currently required to employ registered teachers (such as private and partnership schools, tertiary education providers and other private providers) not be required to employ registered teachers to teach in a COOL. Conditions on accreditation may require a certain number of registered teachers or that certain curriculum areas are taught by registered teachers ✓
  - that organisations that are currently subject to the Official Information Act 1982 and the Ombudsmen Act 1975 will continue to be subject to these Acts under the COOL regime, and that organisations that are not currently subject to these Acts will not be subject to it as COOLs (such as private and partnership schools, PTEs and other private providers). ✓
4. We propose that you include the following decisions about the COOL legislative regime in the draft Approval for Introduction Cabinet paper as decisions you have made under the 'power to act' provision delegated to you by Cabinet [CAB-16-MIN-0310 refers]. This list may not be complete, because we have not yet received a draft of the COOL part of the Bill from the Parliamentary Counsel Office:
  - that organisations that can currently choose not to enrol a student, and can charge tuition fees (such as private schools, tertiary education providers and other private providers) can continue to do so if they become a COOL. The ability to access free online learning will be provided by state schools, Communities of Learning, and partnership school COOLs ✓
  - that organisations that currently do not have to teach the National Curricula (such as private schools, tertiary education providers and other private providers) do not have to teach these curricula in a COOL, but that ✓

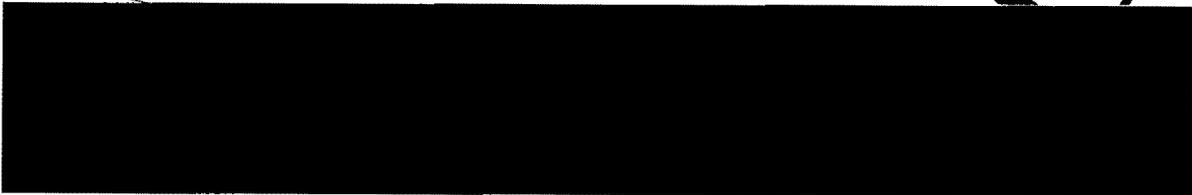
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accreditation requirements will ensure that any alternative curriculum is appropriate for the New Zealand context

- that the Ministry keep a register of accredited COOLs, which would be made publically available online. The register would set out certain information including the name of the COOL, its owner, a contact address and accreditation conditions.

5. In addition to the 'power to act' decisions described above, we have identified a number of other decisions relating to COOLs for your consideration, relating to the definition of COOLs, the COOL accreditation process, and differentiated accreditation criteria for COOLs.

Out of scope



#### Recommendations

##### **We recommend that you**

- a. **note** that we are proposing a range of decisions on details of the legislation to apply to Communities of Online Learning

- b. **agree** that organisations that are not currently required to employ registered teachers will not be required by the Act to employ registered teachers to teach in a COOL, but that conditions on accreditation may require a certain number of registered teachers or that certain curriculum areas are taught by registered teachers

AGREE / DISAGREE

- c. **agree** that organisations that are not currently subject to the Official Information Act 1982 and the Ombudsmen Act 1975 will not be subject to these Acts under the COOL regime

AGREE / DISAGREE

- d. **note** that you may wish to draw Cabinet's attention to the content of recommendations b and c through the Approval for Introduction Cabinet paper

- e. **agree** that organisations that can currently choose not to enrol a student, and to charge fees to students, will continue to be able to do so if they become an accredited COOL

AGREE / DISAGREE

- f. **agree** that organisations that currently do not have to teach the National Curricula do not have to teach these curricula in a COOL, but that accreditation

requirements will ensure that any alternative curriculum is appropriate for the New Zealand context

AGREE / DISAGREE

- g. agree that the Ministry keep a register of accredited COOLs, rather than issue Gazette notices for each accredited COOL, with the register made publicly available online, including information such as the name of the COOL, its owner, a contact address and accreditation conditions

AGREE / DISAGREE

- h. agree to define COOLs as bodies accredited by the Minister of Education to provide primary and/or secondary schooling, primarily online, to students who are not required to be physically present onsite

AGREE / DISAGREE

- i. agree to differentiated accreditation criteria for providers seeking to become either enrolling, or supplementary, COOLs

AGREE / DISAGREE

- j. agree to the accreditation process as set out in this paper

AGREE / DISAGREE

- k. indicate any comments that you have on the draft Approval for Introduction Cabinet paper; General Policy Statement for the front of the Bill; and the legislative drafts attached

Andrea Schöllmann  
Deputy Secretary  
Education System Policy

NOTED / APPROVED

Hon Hekia Parata  
Minister of Education

25/7/16

Out of scope

## Education Report: Draft Approval for Introduction Cabinet paper and update on the design of the Communities of Online Learning legislative framework

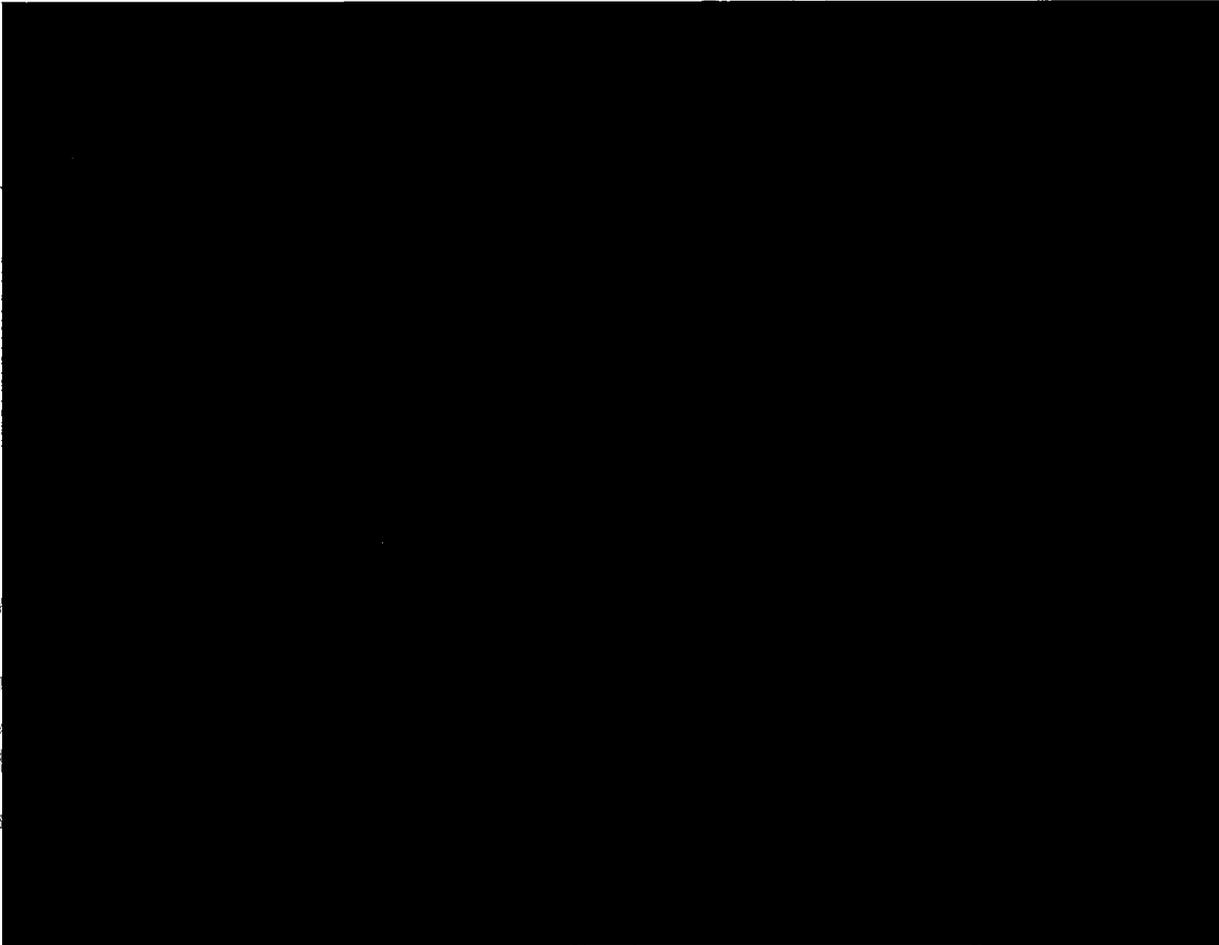
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### Purpose of report

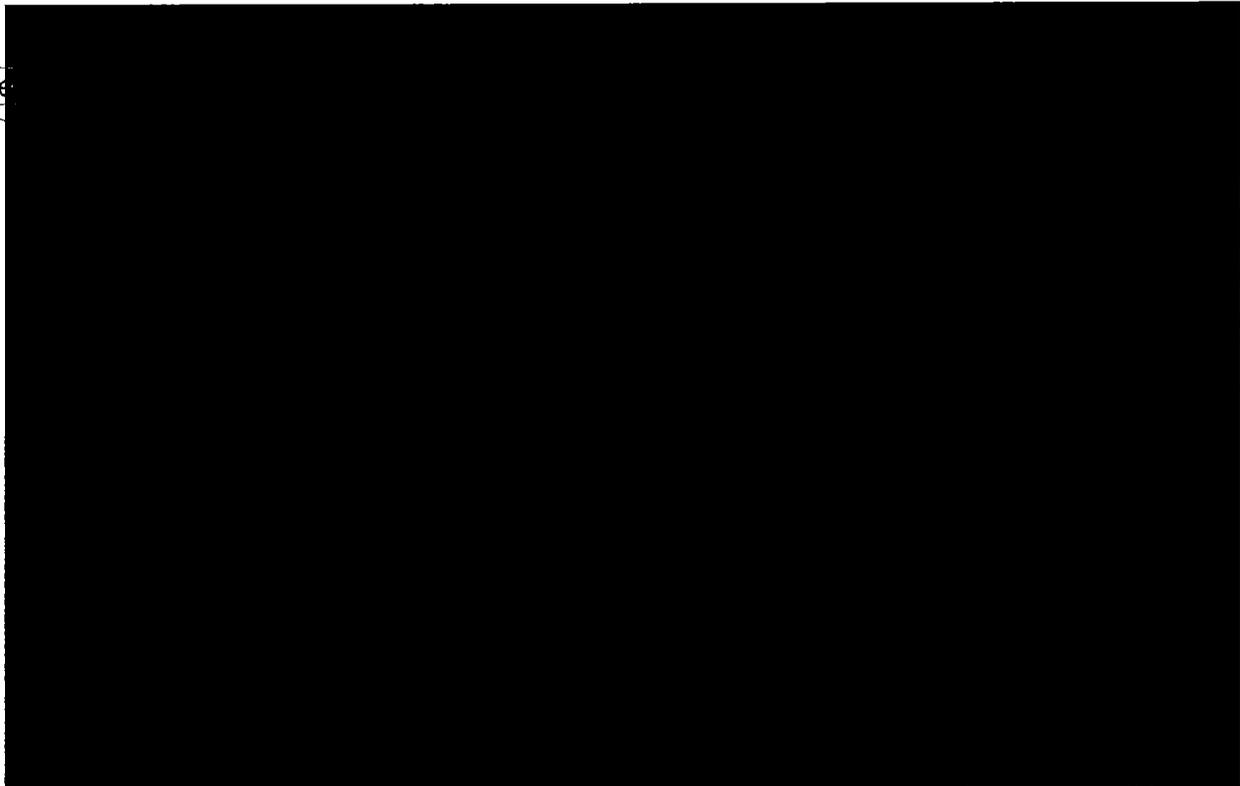
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1. This report seeks decisions on drafting matters for the Education (Update) Amendment Bill 2016 (the Bill). Drafts of the Approval for Introduction Cabinet paper and General Policy Statement are attached for your comment. Elements of the Bill that are close to finalisation are also attached.
2. The report seeks your confirmation of our recommendations on key aspects of the regulatory framework for Communities of Online Learning in order to progress the drafting of the Bill. These decisions include registered teacher requirements, enrolment and fee charging provisions, curriculum requirements, the application of the Official Information Act 1982 and Ombudsmen Act 1975, and the establishment of a register for accredited COOLs.

Out of scope



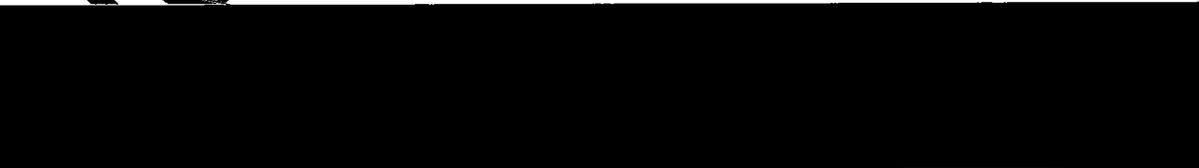
Out of scope



Decisions on the regulatory framework for Communities of Online Learning

9. The Cabinet paper on Further Policy Proposals for the Update included a proposal to increase the contestability in the provision of online learning through Communities of Online Learning (COOLs). Students will be able to access online learning in conjunction with, or as a full-time alternative to, face-to-face schooling.
10. As part of the drafting process, we have progressed the design of the following elements of the regulatory framework for COOLs. We seek your confirmation of these decisions.
11. The consistent theme underpinning our proposed approach is that roles, responsibilities, functions and powers for new COOLs should be created in a manner consistent with the nature of the COOL provider's institutional form. For example, where a private school can currently choose whether to enrol a student, and is able to charge fees, a private school that establishes a COOL will also be able to choose who it can enrol, and be able to charge fees.

s 9(2)(f)(iv) OIA



***Registered teacher requirements***

13. The Cabinet paper did not directly address the issue of whether the Act should require registered teachers in COOLs. However, because of the different registered teacher requirements for different provider types within the current

Education Act, we have had to deal with this issue in developing the COOL framework.

14. We recommend that you:
  - a. require all state and private school COOLs to employ registered teachers in teaching roles in COOLs, and
  - b. enable the Minister of Education to stipulate registered teacher requirements in accreditation conditions, for all other types of COOLs (along similar lines to contractual provisions with Partnership Schools | Kura Hourua)
15. We think that this option reflects a reasonable balance between ensuring quality teaching provision in COOLs, and permitting sufficient flexibility to enable innovative practice. It also provides state and private schools with the ability to move teaching staff between face-to-face and COOL teaching roles. A full analysis of the options we considered is attached in Appendix One.
16. Registered teachers are a significant element of the existing compulsory schooling framework, and in this respect, not requiring all COOLs to employ registered teachers may be considered by the sector as a major departure from the status quo.
17. You may wish to draw Cabinet's attention to this element of the COOL framework through the Approval for Introduction Cabinet paper.

***Application of the Official Information Act 1982 and the Ombudsmen Act 1975***

18. The Official Information Act 1982 (OIA) and the Ombudsmen Act 1975 apply to Crown Entities, and as such would apply to state schools and Tertiary Education Institutes with respect to their COOL activities.
19. Without the enactment of provisions to the contrary, these Acts would not apply to the following bodies operating COOLs:
  - a. private institutions
  - b. private schools
  - c. private training establishments
  - d. private incorporated bodies
  - e. Partnership Schools (other than when the school is exercising an exclusionary discipline power, in which case the Ombudsmen Act applies).
20. We recommend that the OIA and Ombudsmen Act apply to COOLs in the same manner that they apply to the institution accredited as a COOL. This is consistent with the approach taken to other aspects of the COOL framework (e.g., abilities to charge fees and set enrolment conditions).
21. You may wish to draw Cabinet's attention to this element of the COOL framework through the Approval for Introduction paper.

***Ability of COOLs to choose who can enrol and charge fees for tuition***

22. Cabinet agreed that the Government would fund students for a full-time programme, but that students who wished to access online learning beyond a full-time course could do so, but would have to pay a fee. This will apply for all COOLs, including state and partnership schools.
23. However, we recommend that, to encourage a range of private providers to seek COOL accreditation, and to ensure that the Government does not pay for online learning where there is a willing market, the regulatory framework should enable some providers to choose who they can enrol, and to charge fees to students.
24. Currently state and partnership schools must enrol all eligible students, whereas private schools and tertiary education providers (TEPs) can set their own enrolment requirements, including declining to enrol a student if they wish. In addition, state and partnership schools cannot charge fees to students, whereas private schools and TEPs can.
25. We propose an approach consistent with this for COOLs. Specifically, private schools, TEPs and other private provider COOLs will be able to set enrolment conditions, including whether to enrol a student (insofar as these are consistent with those accreditation conditions prescribed by the Minister of Education). These COOLs will also be able to charge tuition fees to students. State and partnership school COOLs will be required to enrol eligible students, and will not be able to charge fees to students (for a state-funded full programme of learning).
26. The benefit of this approach is that it is consistent with the rationale supporting different fee-charging powers of state schools and private schools. Namely, that private, fee-paying provision provides diversity and choice for students and whānau in addition to the provision that is available through the state system.
27. This approach may also present some equity issues - parents who can afford fees will have a greater choice in online learning than those who cannot. However, this issue already exists for parents (e.g., those who cannot afford fees to enrol their children in private school). We do not anticipate that fee-paying COOLs will exacerbate this issue, therefore on balance this is our preferred approach.
28. A full analysis of these options is considered in Appendix One. We consider that this is a decision you are able to make under the 'power to act' provision.

***Requirement for different COOLs to teach the New Zealand Curriculum***

29. The Cabinet paper included a requirement that all COOLs, teach the New Zealand Curriculum or Te Marautanga o Aotearoa (except partnership schools), and report on National Standards. We recommend that the partnership school exception be extended.
30. We propose that COOLs only be required to teach these curricula where already required to do so (e.g., state and state-integrated schools, but not private schools, TEPs or private entities). This approach is consistent with the approach taken regarding enrolment and fee-charging conditions for different types of

providers, in the sense that the rules already in place for these providers will extend to their COOL functions.

31. It will still be necessary for potential providers to demonstrate to the Minister, as part of the accreditation regime, that they intend to deliver a curriculum that is suitable for the New Zealand context. We also propose that all COOLs will be required to report on National Standards.
32. We consider that this is a decision you are able to make under the 'power to act' provision. A full analysis of the options we considered is attached in Appendix One.

#### ***A register of accredited COOLs***

33. We are proposing that the Ministry keep a register of accredited COOLs, which would be made publically available online. The register would set out certain information including the name of the COOL, its owner, a contact address and accreditation conditions.
34. This is a more user-friendly and accessible version of Gazette notices, and will make it simple for parents and schools to know which organisations have been accredited.
35. We consider that this is a decision you are able to make under the 'power to act' provision.

#### ***Other COOL matters for your confirmation***

##### *Defining COOLs*

36. A COOL is a body accredited by the Minister of Education to provide primary and/or secondary schooling, primarily online, to students who are not required to be physically present onsite.

##### *Differentiated accreditation criteria*

37. We think that some providers will only wish to become accredited to provide supplementary tuition to students (and not to enrol students full-time). It will not be necessary for these COOL to be subject to the full obligations that come with the ability to enrol students. Accordingly, we are developing the COOL regulatory framework with options for providers to seek accreditation as a "supplementary" or as a "full" (enrolling) COOL.
38. We have instructed PCO to draft different accreditation criteria for supplementary and full COOLs.

##### *Accreditation process*

39. We have developed a process for COOL accreditation that is similar to the process followed for provisional and full registration of private schools.
40. Eligible bodies may apply to the Minister of Education for accreditation as a COOL. Applications will detail the nature of accreditation sought (e.g., student

year levels, full or supplementary status). The application is then referred to the Ministry, who assesses the application against the accreditation criteria stipulated in regulations. The Ministry makes a recommendation to the Minister, who then has discretion to approve or decline the application.

41. If the Minister approves the application, s/he will set accreditation conditions relating to the operation of the COOL. Similarly to the private school registration process, approved COOLs will be provisionally accredited for the first 12 months of operation, after which the Minister may grant accreditation.

Released under OIA

## Appendix One - Further analysis on decisions for Communities of Online Learning

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### Teacher registration

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1. Teacher registration provides minimum standards and promotes high quality provision. However, a requirement for all COOLs to employ registered teachers could act as a barrier to new providers seeking accreditation. The online learning environment provides opportunities for innovation and teaching in areas where there is a dearth in the supply of registered teachers. In determining whether COOLs should be required to employ registered teachers, we have considered how best to balance these interests.
2. We considered four options:
  - i. all teaching positions in COOLs must be filled with registered teachers
  - ii. registered teaching requirements will be stipulated in the accreditation conditions for all COOLs
  - iii. state and private schools will be required to employ registered teachers in COOLs, and other providers will have registered teacher requirements stipulated in accreditation conditions
  - iv. COOLs will not be required to employ registered teachers.
3. Option i would protect the quality of provision to school-aged students. However, it is likely to act as a barrier to some new providers seeking accreditation (particularly tertiary and private sector providers). Depending on the accreditation requirements, option ii would allow some freedom to employ teachers who were not registered, or non-teachers, but provide a vehicle to protect students where it is considered that is necessary (e.g., younger-aged primary students might need to be taught by someone with pedagogical training.) One regime would apply across the whole COOL sector. There could be some issues for schools that are also COOL and want teachers to work across both types of provision.
4. Under option iii, if the COOL is currently an institution that is required to have registered teachers, it would continue to be required to do so with respect to its COOL operations. This may restrict some schools in respect of their COOL activities, but it would avoid confusion for schools that are also COOLs with teachers potentially working across both face-to-face provision and online provision. All other organisations would be required to have statements in their accreditation conditions about numbers or areas where registered teachers must be employed. This would be a compromise between enabling flexibility in COOL provision and ensuring high-quality schooling provision.
5. Option iv would allow maximum freedom for supply, but offers no legislative protections for students around the standard of teaching. There could be some issues for schools that are also COOL, and want teachers to work across both types of provision.

Options analysis summary – Registered teachers in COOLs

	Encourage supply	Protect students	Ease of administration
1. All teachers registered	Does not meet	Meets	Does not meet for non-school providers
2. Registration requirements in conditions of accreditation	Meets	Somewhat meets	Does not meet for state and private schools
3. Registration required for state and private schools and requirements in conditions of accreditation for all others	Meets	Meets reasonably well	Meets
4. No requirement for registered teachers	Meets	Does not meet	Does not meet for state and private schools

6. Option three is our preferred option, because it provides the most effective balance between provider flexibility and student protections. ✓

Ability for some COOLs to create additional enrolment conditions

7. At present, privately-run organisations and TEIs set their own enrolment conditions, and will often have a contract or an implied contract with the student or their parents. State schools and Partnership Schools must enrol all eligible students. The distribution is as follows:

State schools	Partnership schools	Private schools	TEPs	Other private providers
Must enrol all eligible students	Must enrol all eligible students	May set their own enrolment requirements	May set their own enrolment requirements	May set their own enrolment requirements

8. Applying this model to Communities of Online Learning for enrolment and the provision of tuition, the table would be as follows:

	State schools	Partnership schools	Private schools	TEPs	Other private providers
Enrolling COOL	Must enrol all eligible students	Must enrol all eligible students	Can set their own enrolment policies	Can set their own enrolment policies	Can set their own enrolment policies
COOL providing tuition	Must provide tuition to all eligible students	Must provide tuition to all eligible students	Can set their own enrolment policies	Can set their own enrolment policies	Can set their own enrolment policies

9. This preserves the ability of existing providers to manage their own businesses. If, however, COOLs are required to meet performance or outcome targets, it is likely that they will choose only to enrol or provide tuition for selected students (e.g., students likely to achieve highly). This would restrict choice for many students to provision by state schools and partnership schools. Choice of enrolment as well as the ability to charge fees could lead to a private sector responding to those likely to succeed and who are able to pay and a state sector providing for low socio-economic and at-risk students.
10. On balance, we recommend enabling those who can already set their own enrolment policies to be able to do so with respect to their COOL activities.

Determining which COOLs can charge fees for all, or part of, a student's full-time course

11. Cabinet agreed that the Government would fund students for a full-time programme, with students who wished to access online learning beyond a full-time course able to do so, but with a fee.
12. The question that needs to be determined is whether some providers can charge fees for providing students with some or all of their full-time course.
13. Section 3 of the Education Act guarantees free enrolment to children between the ages of five<sup>1</sup> and the end of the year in which they turn 19. There is a network of state schools and now partnership schools that provides the opportunity for all students to exercise their rights to free enrolment. It is possible to opt out and be educated in the private school system, where fees can be charged for enrolment.
14. Some of the proposed "owners" of Communities of Online Learning currently have the ability to charge fees for enrolment over and above any funding they may receive from the government. The following table indicates which providers are currently able to charge fees for enrolment:

State schools	Partnership schools	Private schools	TEPs	Other private providers
x	x	✓	✓	✓

15. Applying this model to Communities of Online Learning accredited to enrol students and/or provide tuition, the table would be as follows:

	State schools	Partnership schools	Private schools	TEPs	Other private providers
Enrolling COOL	x	x	✓	✓	✓
COOL providing tuition	x	x	✓	✓	✓

<sup>1</sup> A consequential amendment in the Update will cover students under 5 in schools that adopt cohort entry. ✓

16. These arrangements would have the advantage of potentially encouraging supply, as providers that can currently charge fees would continue to be able to do so. Not all would necessarily do so, depending on the level of resourcing from the government and whether the market supports the charging of fees.
17. If the purpose of expanding the types of suppliers that can offer schooling education is to provide increased choice for students, then there are equity issues. Students whose parents can pay fees will have a wider choice than those whose parents cannot. These students will be restricted to the range of provision offered by state and partnership school COOLs.
18. On balance, we recommend that those who can already charge fees should be able to continue to do so.

#### Requirement to teach the New Zealand Curriculum

19. The Cabinet paper included a requirement that all COOLs teach the New Zealand Curriculum or Te Marautanga o Aotearoa (except partnership schools). We recommend that the partnership school exception be extended.
20. The following table indicates which providers are currently obliged to teach the New Zealand Curriculum or Te Marautanga o Aotearoa.

State schools	Partnership schools	Private schools	TEPs	Other private providers
✓	x	x	x	x

21. We considered the following options when determining whether COOLs operated by providers should be required to teach these curricula:
  - i. all providers could be required to teach New Zealand Curriculum or Te Marautanga o Aotearoa and report on National Standards
  - ii. only those COOLs whose institutional types are currently required to teach the New Zealand Curriculum or Te Marautanga o Aotearoa could be required to do so.<sup>2</sup>
22. Option i provides the most stringent assurance of educational relevance for NZ for teaching by COOL providers. It would mean that all COOLs would be required to teach the prescribed curricula.

This requirement could act as a barrier to COOLs that are not state schools from seeking accreditation. The inflexible nature of this requirement could prevent these COOLs from developing innovative approaches. Teaching the prescribed curricula would be particularly unsuitable for those COOLs that are not required to have registered teachers (as recommended in this report).

23. Option ii seeks a balance between quality assurance, accountability for outcomes and enabling COOL innovation and flexibility. It is more enabling than option i,

<sup>2</sup> However, all COOLs will be required to report on National Standards.

and is less likely to act as a barrier to new providers seeking accreditation. It is also fairly consistent with the approach adopted elsewhere in the COOL legislative framework; namely, that where possible, existing requirements for providers should be extended to their COOL operations.

- It is possible that this option may be perceived as unfair, because it permits greater flexibility for some types of COOLs. However, by adopting an approach similar to the partnership school model, we can ensure accountability for student outcomes through reporting on National Standards while maximising provider flexibility.

24. On balance, Option ii is our preferred approach.

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# COMMUNITIES OF ONLINE LEARNING (COOLs)

## Overall design of COOLs

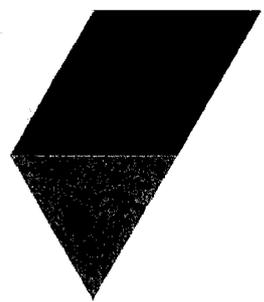
<b>Objective</b>	Increasing diversity of educational provision and enabling students to choose to enrol in online learning.
<b>Providers</b>	Any school, Tertiary Education Provider or corporate body (private provider) will be able to seek accreditation to become a COOL.
<b>Accreditation</b>	<p>The Minister will have the discretion to accredit providers who meet a minimum set of criteria, and can also set additional conditions. The Minister will have the discretion to vary and revoke accreditation status.</p> <p>Two types of COOL: Full (enrolling), and Supplementary. Two stages of accreditation: Provisional and Fully accredited.</p>
<b>Enrolment</b>	<p>All students, including international students studying in NZ, will have the choice of enrolling in a COOL.</p> <p>A full (enrolling) COOL is the provider responsible for the student's full programme of learning, and part of the programme can be procured from a supplementary COOL.</p>
<b>Teachers &amp; Curriculum</b>	<p>State and private school COOLs will need to employ registered teachers, and state and state-integrated school COOLs will need to teach the NZC (as is the case for these schools now).</p> <p>For other COOL types the Minister will stipulate teacher requirements as a condition of accreditation. Providers will need to show that their intended curriculum is suitable.</p>
<b>Funding &amp; fee charging</b>	State and PS   KH school COOLs will be fully government funded and won't be able to charge fees. Private school, TEP and other private provider COOLs will not be fully funded and will be able to charge fees.
<b>Accountability</b>	Through e.g., planning and reporting, ERO reviews and TEC and NZQA monitoring, interventions for underperforming COOLs, ability to revoke accreditation.
<b>Te Kura-COOL transition</b>	Te Kura will become a COOL when the Act comes into force in March 2017. Te Kura's existing functions will be preserved during a transition period.

## Further policy work streams

<b>Funding Model</b>	§ 9(2)(f)(iv) OIA
<b>Te Kura-COOL transition</b>	<p>Transitional arrangements will be developed: to ensure students continue to have access; to ensure Te Kura continues to be funded; and to ensure current fee charging arrangements remain.</p> <p>§ 9(2)(f)(iv) OIA</p>
<b>Regulations</b>	
<b>Accreditation Criteria</b>	<p>Minimum criteria for accreditation are likely to include:</p> <ul style="list-style-type: none"> <li>• Curricula (e.g., NZC or other approved)</li> <li>• Suitable pastoral support for students</li> <li>• Suitable premises and technology</li> <li>• Privacy and security settings</li> <li>• the use of/reporting against National Standards, NCEA or equivalent</li> <li>• Proof manager is a fit and proper person.</li> </ul>
<b>Conditions of Accreditation</b>	Additional conditions upon accreditation for individual COOLs might include: enrolment policies, registered teacher requirements, enrolment caps, year and/or subject levels.
<b>Attendance Requirements</b>	§ 9(2)(f)(iv) OIA
<b>Ability to Charge Fees</b>	<p>The right to free education will apply. COOLs run by state schools or PS   KH will not be able to charge for enrolment (government-funded) but can charge for additional tuition in circumstances specified in regulations.</p> <p>Other COOLs (those run by private schools, TEPs and corporate bodies) will be able to charge students in the same way they can now.</p>
<b>Planning and Reporting</b>	§ 9(2)(f)(iv) OIA
	§ 9(2)(f)(iv) OIA

## Implementation work streams

<b>Ministry work streams:</b>	
<b>Resourcing</b>	Align payment systems and processes to new funding system.
<b>Design Accreditation Process</b>	Establish systems and processes, and resourcing, for running the accreditation process. Design operational elements (e.g., application forms)
<b>Public Register</b>	Design and implement a public register to capture information about accredited COOLs.
<b>Making IT Systems Compatible</b>	Privacy and security, use of NSN, identity verification, updates to ENROL, implications for student management systems, implications for learning management systems, links to the new workforce register.
<b>Evaluation</b>	Set up of an ongoing evaluation of how well open access and provider performance are working, in relation to student wellbeing and achievement, and to monitor the impact of COOLs on the schooling network.
<b>Other work streams:</b>	
<b>ERO and NZQA</b>	<p>ERO and NZQA to establish systems and processes for the independent review of, and monitoring of, COOLs.</p> <p>§ 9(2)(f)(iv) OIA</p>
<b>Next Steps:</b>	
<ul style="list-style-type: none"> <li>• Establish work programme for future work streams</li> <li>• Begin discussions with Te Kura on transitional elements</li> <li>• Discuss with business units across the Ministry to determine implications</li> <li>• Meet with ERO, NZQA and TEC to discuss implications.</li> </ul>	



## BRIEFING NOTE: Examples of online learning providers

Date:	19 August 2016	Priority:	Medium
Security Level:	In Confidence	METIS No:	1019305
Approved by:	Dr. Andrea Schöllmann	DDI:	██████████ s 9(2)(a) OIA

### Purpose

1. This briefing provides a short description of how overseas providers of online learning operate, to aid Cabinet discussions about the Communities of Online Learning policy in the Education (Update) Amendment Act.

### Background

2. Online learning takes many forms. Depending on providers' operating models, students might never attend a physical school site, or sometimes attend a physical school to receive additional instruction.
3. This briefing describes online learning activities at the Florida Virtual School and Rio Rancho Cyber Academy in the United States.
4. It also describes how online materials, including those produced by private providers such as the Khan Academy, can be combined with face-to-face instruction in a blended learning model.

### Florida Virtual School

5. Florida Virtual School (FLVS) is an online school that is state-owned and state-run. It provides online education primarily to Florida students in grades K–12 (New Zealand years 1–13), but also operates in all other states and in more than 65 countries (as a pay-per-access virtual school).
6. Similar to Te Aho o Te Kura Pounamu (Te Kura, the correspondence school) in New Zealand, students do not need to attend a physical site, and can learn from anywhere.
7. FLVS also franchises curricula and support to charter schools, which use their own teachers and resources to deliver education.

**We get the job done** Ka oti i a mātou ngā mahi  
**We are respectful, we listen, we learn** He rōpū manaaki, he rōpū whakarongo, he rōpū ako mātou  
**We back ourselves and others to win** Ka manawanui ki a mātou me ētahi ake kia wikitoria  
**We work together for maximum impact** Ka mahi ngātahi mō te tukinga nui tonu  
**Great results are our bottom line** Ko ngā huanga tino pai ā mātou whāinga mutunga

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### *Enrolment requirements*

8. Any student can enrol, by right, in supplementary learning at FLVS. Any student who has attended a Florida public school in the last year can enrol as a full-time student.
9. Students are required to have their own computer. Some financial assistance to obtain the appropriate technology is available for disadvantaged students.
10. Since 2011, all students must take at least one online course to graduate from high school.

### *Funding*

11. About 94% of FLVS funding comes directly from the State of Florida, mostly linked to student performance. This is assessed on the basis of full-time students who successfully complete courses.
12. Performance-based funding is said to reduce the amount of funding given to FLVS students who subsequently drop out or return to face-to-face schooling, and to incentivize FLVS to raise learning outcomes.
13. FLVS is also able to generate its own revenue.

### *Student performance*

14. FLVS has reported higher student performance than most virtual schools, claiming that 81% of students who complete courses at FLVS pass. However, the pass rate from all enrolments (including withdrawals) was only 53.5%.

### *Attendance*

15. Full-time students do not need to attend a physical school site. Instead, they can log onto the FLVS website from home, the library, or another location.
16. Attendance is measured through a number of participation metrics. Parents or learning coaches log daily attendance by indicating the number of hours of schooling that occurs on any given day. This information is then verified by the school.
17. Students also have weekly assignment submission requirements. If students do not make progress quickly enough, teachers can intervene. If interventions are unsuccessful, or if the student cannot be contacted for an intervention, the student may be removed from the course. Habitual truants have their enrolment suspended by default.

### *Teachers*

18. FLVS employs only certified teachers.
19. Like the students, teachers may work from anywhere. Teachers have quarterly training sessions and also complete online training modules, group conference calls, peer coaching and mentoring.

### **Rio Rancho Cyber Academy**

20. Rio Rancho Cyber Academy is a public school in New Mexico. It opened in 2005 and enrolls students in grades 6–12 (New Zealand years 7–13).
21. Students are required to physically attend school twice a week, from 9:00am–4:00pm. They are also required to complete at least five hours of online learning in their own time.
22. When students physically attend, they work individually on computers and with teachers one-on-one or in small groups. Instruction is focused on areas in which students are struggling. The school site is one large computer room with some smaller conference spaces for project-based activities.
23. The online learning materials, which are used in the classroom and at home, are purchased from the private provider Edgenuity. These include teaching and learning resources and an online tool to monitor and manage learning.
24. Students at Rio Rango Cyber Academy typically demonstrate higher pass rates than their peers in other New Mexico schools. There is strong variance in the level of achievement depending on the subject.

### **Blended learning in face-to-face schools**

25. There are many examples internationally of how blended learning can form part of the daily operations of a school. Blended learning is when face-to-face instruction is combined with online learning.
26. Typically, students attend their physical school as usual and participate in online or blended learning on a per-subject basis.
27. The United States has a large number of providers that develop online courses for teachers to use in their classrooms. These include private providers (e.g., Edgenuity, Pearson, Apex Learning, K12 Inc.), state-funded providers (e.g., Florida Virtual School) and free, open-source materials (e.g., Khan Academy).
28. Schools can purchase provision to fill gaps in their capability or provide students with choice in delivery model. In other schools, teachers develop their own online courses so students have more flexible learning programmes.
29. Blended learning already happens in New Zealand. Some schools are increasingly using online resources, such as videos and discussion forums. In other schools, teachers use video-conferencing technology to deliver lessons to students who are not enrolled in their school. Video classes meet once weekly and students complete the remainder of their work in their own time, with the support of their e-teacher and teachers in their own school.