

## **Flexible funding for Trades Academy Students**

### **Information for Schools Participating in Trades Academies**

#### **Introduction**

Set out below is advice to schools on the implementation of the new flexible funding arrangement for trades academies and how students who are participating in a trades academy will be funded in 2013.

#### **Workshops**

To ensure that schools are well informed about the flexible funding arrangement, the Ministry of Education is holding regional workshops in late January/early February for schools involved in trades academies. These will provide an opportunity for Principals and their staff to discuss how the new funding model will work and to express any concerns they may have about implementation issues.

The two-hour workshops will be held as follows:

<b>Region</b>	<b>Date</b>
Whangarei	Friday 8 February
Auckland	Thursday 7 February
Hamilton	Monday 4 February
Rotorua	Tuesday 5 February
Whakatane	Tuesday 5 February
New Plymouth	Tuesday 12 February
Hawkes Bay	Thursday 31 January
Palmerston North	Friday 1 February
Christchurch	Monday 28 January
Cromwell	Tuesday 29 January
Greymouth	Wednesday 30 January

The Ministry will meet the reasonable costs of attending these workshops including travel. Detailed information about the locations and times for these workshops will be advised early in the new year.

## **Information about the New Flexible Funding Arrangement**

### ***Why Flexible Funding?***

Trades academies are secondary-tertiary programmes that operate at the interface between schools and tertiary providers. They provide new opportunities for students to learn in applied practical settings and enable schools and tertiary providers to establish new learning arrangements to increase retention, raise achievement and improve transitions for many learners.

The secondary and tertiary systems are funded quite differently. Consequently, learning arrangements which straddle these two systems are difficult to administer and lack transparency. Over time, the new flexible funding arrangements, which apply to both schools and tertiary providers, will make it much easier for schools and tertiary providers to develop further flexible and integrated learning programmes that will best meet the needs of learners.

### ***How will the new funding system work?***

Each student in a trades academy will generate funding as follows:

- A general teaching and learning component of \$9,500 (GST exclusive) split between the school and tertiary provider to reflect the proportion of the study week spent at each school and provider.
- A trades component<sup>1</sup> based on the proportion of the trades academy programme which is distinctly trades related.
- A pastoral care and co-ordination component of \$1,250 (GST exclusive) which is paid to the lead provider of each trades academy.
- Assistance with transport costs for those with identifiable high transport needs and paid on application.

### ***What does this mean for Schools?***

Schools will receive funding from the Ministry of Education for each of their students in a trades academy as a cash payment in their quarterly operations grant. It is intended that this cash payment will replace the various resources that each student would have generated as a regular (non-trades academy) student.

#### Lead Provider Schools

Schools who are lead providers of a trades academy will also receive from the Ministry of Education the pastoral care and co-ordination payment and the general teaching and learning component for tertiary related provision, for

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<sup>1</sup> The notional trade component is \$3,500 (GST exclusive) per learner. So, if 20% of the learning programme is trades related, each learner in that programme would generate \$700.

each student in a trades academy. The tertiary component must be used for tertiary related education and training.

### ***How will this work in practice?***

All schools will receive their normal payment on 1 January 2013 based on the provisional roll advised to them in September. This includes schools who currently have some of their students in a trades academy.

Schools will report in their 1 March 2013 Roll Return how many of their students are in the trades academy and the proportion of time that they will be spending in school. The Roll Return Guidelines will state how schools should report this information. It will be similar, for example, to the information schools provide on international students.

The April instalment of operational funding will include the general teaching and learning component for trades academy students, to reflect the proportion of the study week spent at school by these students. *The guaranteed minimum staffing level for 2013 will **not** be affected by the number of students in the school who are in the trades academy as the guaranteed minimum staffing level is set in place for 2013.*

### **School Lead Providers**

In early January, schools who are trades academy lead providers will also receive the first instalment of the pastoral care and co-ordination payment and the general teaching and learning tertiary component, based on the number of places allocated to their trades academy.

Lead provider schools will also advise the Ministry of Education in March 2013 of the actual total number of students who are in their trades academy. The 1 April 2013 payment to the lead provider for both the pastoral care and co-ordination component and the general teaching and learning tertiary component will be adjusted to reflect the actual number of students enrolled in the trades academy as a whole.

These actions are summarised in the table below.

<b>2013</b>	<b>Actions</b>
January	<ul style="list-style-type: none"> <li>• Schools receive normal payment based on provisional roll advised in September 2012</li> <li>• School lead providers receive the 1st instalment of the pastoral care and co-ordination payment and the tertiary component based on the total number of places allocated to their trades academy.</li> </ul>
March	<ul style="list-style-type: none"> <li>• Schools report how many of their students are in the trades academy and the proportion of time that they will be spending in school.</li> <li>• Lead providers report how many students in total are in their trades academy.</li> </ul>

April	<ul style="list-style-type: none"> <li>• Operational grant funding will reflect the per learner teaching and learner component generated by the trades academy students.</li> <li>• School lead providers receive the 2nd instalment of the pastoral care and co-ordination payment and the tertiary component, adjusted for the actual number of students in the trades academy.</li> </ul>
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***What happens if a trades academy student leaves school?***

If a student leaves school during 2013, they will no longer attract the trades academy funding. Because GMFS continues to apply, the school is no worse off than if the student had not been in the trades academy and had left school during the year.

Students can join a trades academy during the year, if this meets their needs. This means that schools can replace students who leave the academy during the year and continue to receive trades academy funding for the place occupied by the replacement student.

***What happens if a student leaves the trades academy but remains at school?***

If a student withdraws from the trades academy and remains in school, trades academy funding would cease for that student and they would go back on the regular roll count for school resourcing. The school would not be worse off in these circumstances than if the student had not been part of the trades academy in the first place.

As stated above, schools can replace students who leave a trades academy during the year.

***Will trades academy students contribute to school size entitlements?***

Property Entitlements

Trades academy students who generate the teaching and learning component for a school will be taken into account when considering property entitlements. Although these students will not be counted on the roll used to calculate school property guide space entitlements, the Ministry will consider the number of trades academy students using the site before requiring a school to put in place a rationalisation plan for surplus space. The Ministry will also consider space required for trades academy students when assessing the need for roll growth teaching spaces.

## Staffing Related Entitlements

As trades academy students do not generate staffing entitlements in the normal way, they will not generate entitlements to Management Units, Middle Management Units or Senior Management Units. However, trades academy students will be counted when calculating base staffing entitlements and for the principal grading roll.

### ***What restrictions are there on the use of the flexible funding generated by trades academy students?***

The effectiveness of trades academies will be assessed by the results that they achieve for their students. The expected results are set out in the funding agreement with each lead provider. There are no restrictions on how schools, (individually and working with other schools and with the tertiary providers) can use the flexible funding to achieve these results. In principle, all funding generated by trades academy students should be used to support the retention, engagement, achievement and effective transitions for these students.

### ***What implications does trades academy flexible funding have on Principals' Remuneration?***

School principals' remuneration will not be affected because some of the students in their school are in a trades academy.

## **Further information**

The workshops will provide an opportunity to discuss the information set out above and any other matters that are not covered. However, if you have immediate questions relating to the above material, please direct your enquiry to your Ministry of Education Youth Guarantee Chief Advisor or email [trades.academy@minedu.govt.nz](mailto:trades.academy@minedu.govt.nz)

We will be holding further workshops throughout the year to evaluate progress with the new funding model and facilitate how the educational arrangements for 2014 will work for each Trades Academy.