

10.

School resources and viability

In this chapter we look at key aspects of school viability in terms of funding, staffing and competition for student numbers. Stability in student numbers allows the stability in funding and staffing that also supports stable development of teaching and learning. Growth in student numbers can also support ongoing development of schools' core work, provided it occurs at a manageable pace.

Funding

Funding has long topped the major issues principals identify facing their school. But in 2015, teachers' NCEA workloads and the dominance of assessment in secondary curriculum topped that list. Funding was identified as a major issue for their school by 51% of principals, down from 78% in 2012, and from 86% in 2009. A similar trend was evident in trustees' views of the issues facing their school.⁷²

Nonetheless, in 2015 only 14% of secondary principals believed their school's government funding was enough to meet its needs. This is an increase from the 5% who believed so in 2012, and the 3% who believed so in 2009, but it is still low.

Reducing school spending was how 46% of the principals were managing their school budget in 2015. This includes 20% of those who said their school's government funding was enough. These reductions had had negative effects on schools':

- provision of co-curricular experiences (65% of those who had cut school spending)
- quality of curriculum resourcing (59%)
- practical components of courses (40%)
- curriculum options offered in Years 11 to 13 (29%)
- curriculum options offered in Years 9 and 10 (16%).

⁷² Chapter 11: *Support and challenge* gives the full picture of the issues people see facing their school.

Turning to other sources of funding was also important. International student numbers have increased in recent years, and 53% of the principals said their school relied on attracting them so that it could provide a good breadth of courses. Parent provision of digital devices underpinned the use of digital technology for learning in 58% of the secondary schools. Most of the schools had some students left out of co-curricular experiences when parents were asked to pay the cost of these experiences.

Stability in school finances allows stable school development. There was a strong increase since 2012 in the proportion of principals who reported that their school finances in 2015 were looking much the same as in 2014 (48% in 2015, compared with 22% in 2012 and 21% in 2009). Thirty-five percent reported that their financial situation looked worse than in 2014, and 17% reported that it looked better. Half of those who said it looked better had also reduced their spending for 2015, as had 61% of those who said their financial situation looked worse. Those whose school finances were stable were less likely to have reduced spending in 2015 (33% of this group had done so).

Reducing their spending or taking more international fee-paying students were the two main ways in which the 17% of schools whose finances were looking better in 2015 than in 2014 had improved their situation. A few had also had a roll increase, increased their fees or donation payment levels or raised more money locally.

A rise in fixed costs was the main factor behind having a worse financial situation in 2015 than in 2014 for 69% of secondary schools in this position. Other factors included roll decrease, drops in fee or donation payment levels and locally raised funds and fewer international fee-paying students.

Links with socioeconomic decile

Schools' financial situations were linked to their funding decile, indicating the proportion of students from low socioeconomic homes served. Decile 9–10 schools serving the fewest numbers of such students had the most stable financial situation (69% said it was the same in 2015 as the year before). Only 17% of decile 9–10 school principals reported that their financial situation was worse in 2015 than the year before, and 27% of decile 7–8 school principals.

Most decile 9–10 secondary schools have international students.⁷³ Not surprisingly, 81% of the principals of these schools agreed or strongly agreed (50%) that they relied on income from this source to provide a good breadth of courses. Decile 1–2 schools attract fewer such students, and only 5% of their principals agreed that they relied on this source.⁷⁴

Decile 9–10 secondary schools can ask more of their parents. Forty-seven percent of their principals strongly agreed that the school's use of digital technology for learning depended on parents providing devices, compared with 10% of decile 1–2 school principals.⁷⁵ Only 19% of decile 9–10 school principals strongly agreed that they had some students who missed out on co-curricular activities when parents were asked to pay costs, compared with 44% of decile 7–8 school principals, 50% of decile 5–6 school principals and 60% of decile 1–4 school principals.

Reductions in spending were reported most for decile 1–2 schools (65% of these principals), and least for decile 7–8 (27%) and decile 9–10 schools (33%). However, if schools made reductions, the effects were similar across deciles: where schools were cutting, they cut in similar ways.

73 2013 figures also show that decile 7–10 Years 9–15 schools enrolled 74% of all the international students in these schools. International Division, Ministry of Education. (2014). *New Zealand schools—trends in international enrolments*. Available at: https://www.educationcounts.govt.nz/_data/assets/pdf_file/0007/149344/International-enrolments-in-NZ-schools,-July-2014.pdf

74 Compared with 45% of decile 3–4 school principals, 55% of decile 5–6 school principals and 62% of decile 7–8 school principals.

75 Twenty-nine percent of decile 7–8 school principals also strongly agreed that they depended on parents for digital device provision, as did 12% of decile 5–6 school principals, and 17% of decile 3–4 school principals.

Differences in school size or location were not related to differences in schools' financial situations in 2015. (There was some overlap with school socioeconomic decile, with decile 1–2 schools being smaller on average, and mostly located in urban areas.)

Staffing

A minority of secondary principals believed their school's teaching staffing entitlement was enough to meet the school's needs, 24%, much the same as in 2012, but somewhat more than the 18% who believed so in 2009.

Most (76%) employed more teaching staff than their entitlement. In many cases these additional staff taught a curriculum area (72% of these schools). Other roles undertaken with these additional staff were working with international students (36% of these schools), with students whose English was a second language (36%), with students with additional needs or needing learning assistance (33%), providing literacy or numeracy support (27%), pastoral care (27%), Gateway or careers work (17%), music or other arts tuition (17%), te reo Māori support (13%) and data management (5%).

Many principals (71%) had difficulty finding suitable teachers to fill vacancies. Thirty percent had general difficulty, 52% in particular curriculum areas (with some overlaps in those who had both general difficulty and even more so for particular curriculum areas).

There was particular difficulty finding te reo Māori teachers: 24% had difficulty finding those who could teach the language at a high level, 17% who could teach it at a moderate level and 12% who could teach it at a basic level. In total, 31% of secondary schools had difficulty finding te reo Māori teachers (9% at all three language levels, 3% at two of these levels and 19% at one of these levels). Difficulty finding te reo Māori teachers went across the board: it was unrelated to the proportion of Māori students in the school, or other school characteristics.

Middle management positions were also difficult to fill for 55% of the principals, slightly down on the 59% in 2012. This was most likely to be in particular curriculum areas (rather than across the board). Fourteen percent had difficulty filling the role of dean. Most of those who had difficulty filling these positions thought the reason was that the workload was too demanding (72%). Too much paperwork or administration was seen to put people off (54%). The additional money for middle management roles did not match these roles' additional work hours or responsibility (50% each). Some schools lacked staff with the experience needed to lead other staff in these roles (24%). Some principals thought the nature of the school community put applicants off (17%).

Challenges associated with school decile and size

Decile 1–2 schools had the most difficulty recruiting: 75% of their principals generally had difficulty filling their vacancies with suitable teachers, compared with 31% of decile 3–4 schools, and 17% of decile 9–10 schools. Forty percent of decile 1–2 schools also had difficulty finding suitable teachers for middle management roles, compared with 10% of decile 3–4 schools, and 11% of decile 9–10 schools. Filling these roles in specific curriculum areas was more of an issue for decile 3–8 schools (43%, compared with 20% of decile 1–2 schools, and 22% of decile 9–10 schools). The nature of the school community and a too demanding workload were seen by half the decile 1–2 principals as reasons why they had difficulty filling middle management roles.

School size showed some relationships with recruiting challenges. The larger the school, the more difficulty there was finding teachers for particular curriculum areas, perhaps reflecting the wider range of areas offered by larger schools. Eighty-one percent of the largest schools had such difficulty, as did around half the schools in the small–medium to medium–large categories, and 21% of the small schools.

School roll and competition

In a system based on stand-alone schools, each school is responsible for its own viability in terms of roll numbers. Relationships between schools are often competitive.

Most secondary schools (80%) were directly competing with a median of four other secondary schools for students. This is unchanged since 2012. The competition may have sharpened somewhat: 68% now had places for all the students who applied to go to the school, up from 59% in 2012 (and 60% in 2009).⁷⁶ Somewhat more secondary schools have also put in place an enrolment scheme (40% in 2015, compared with 36% in 2012) even though 43% of these schools had room for all who apply, and another 14% had room for all applicants at the start of the school year.

While a quarter of these schools with enrolment schemes drew only up to 5% of their students from beyond their zone, 34% drew 6–20% from beyond their zone, 18% drew 21–40% and 16% had more than 40% of their students coming from out of zone. Thus school zones often do not reflect real pressure on places from the local area. The recent consultation on the Update of the Education Act raised some questions about school zoning: these data point to the need for a more coherent approach at the local level to ensure that there are sufficient viable schools to meet needs, so that public funding can go more to the quality of teaching and learning than on additional property and marketing costs associated with having an oversupply of schools in some areas.

Two-thirds of the secondary schools were said to have a student profile similar to the local community, including 78% of those with an enrolment scheme, and 59% of those without an enrolment scheme; more schools without enrolment schemes appear to be drawing from wider catchment areas than those with enrolment schemes.

Compared with 2012, fewer schools had more Māori students than their local community (15%, compared with 25%) and fewer had more students with low academic aspirations than in their local community (8%, compared with 15%).

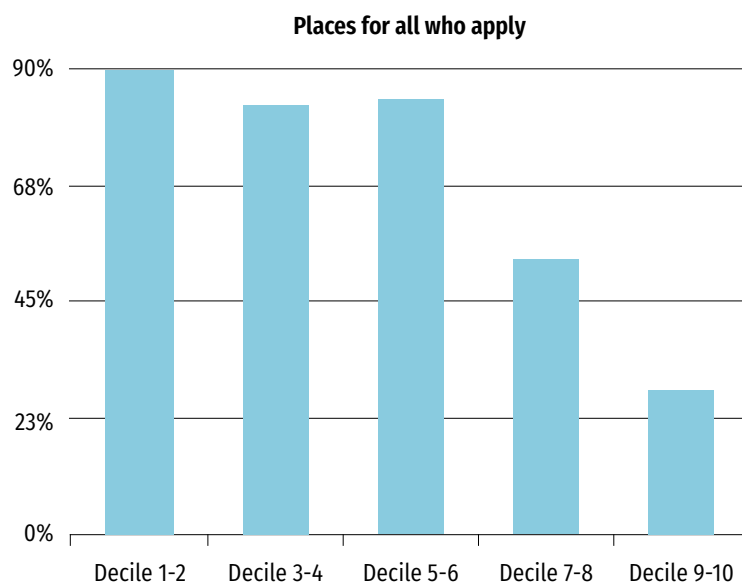
The proportion taking more students from low-income families than were present in their local community was 27%, much the same as in 2012. More schools without enrolment schemes took more students from low-income families than present in their local community: 35% did so, compared with 15% of schools with an enrolment scheme.

Competition for students was experienced across all school deciles. Figure 50 shows how school capacity is related to school decile.⁷⁷

⁷⁶ The national number of students in secondary schools was 272,227 in 2015, only slightly less than the 273,409 in 2009. (Source: Education Counts, Student Roll by School Type as at 1 July 1996–2015).

⁷⁷ Documentation of how low-decile schools have lost students over the past 20 years and high-decile schools have grown is given in Gordon, L. (2015). 'Rich' and 'poor' schools revisited. *New Zealand Journal of Educational Studies*, 50(1), 7–22.

FIGURE 50 Secondary school capacity 2015



Enrolment schemes also followed school decile, ranging from 72% of the decile 9–10 schools having one, to 20% of the decile 1–2 schools.

Decile 9–10 school principals thought they had more students from higher-income families than the local community (25%, compared with none of the decile 1–4 schools) and similarly more Pākehā students (17%) and more Asian students (14%). Conversely, half the decile 1–4 school principals thought they had more students from lower-income families than their local community. Decile 3–4 school principals were more likely to say that they had more Māori students than their local community (38%, compared with 20% of decile 1–2 schools, and 3% of decile 9–10 schools).

The smaller the school the greater the ability to take all students who applied, and the less likely it was that the student profile was similar to the local community (14%, increasing to 89% of the large schools). Enrolment schemes existed in all the large schools, 54% of the medium–large schools and 14% of the small schools.

Principals of the smallest schools were more likely to say their school had more students from lower-income families than the local area (64%, compared with 24% of the principals of small–medium schools, and 4% of principals of the large schools).

Thirty-eight percent of metropolitan schools did not have places for all the students who applied to them, compared with 12% of small city schools and none of the rural and town schools. However, two of the nine rural schools had enrolment schemes, as did 10% of the town schools, 24% of small city schools and 54% of metropolitan schools.

Having more students from higher-income families and with high academic aspirations than the local community was reported most often by principals of small city schools (24% and 35% respectively). Competition for students was lower for rural and town schools (67%, compared with 84% for metropolitan, and 94% for small city schools).

Summary and discussion

While only 14% of secondary principals in 2015 thought their school's government funding enough to meet its needs, funding per se was identified as a major issue for their school by only 51% of principals. Why might this be? The indications are that schools have become much more focused on managing the funding available to them, with almost half now able to have stability in their financial situation, and almost half reducing their spending, even at the cost of co-curricular experiences, curriculum resourcing, the inclusion of practical components in courses and, to a lesser extent, the breadth of curriculum options they can offer to suit the diversity of students.

Just over half the schools were also reliant on non-government resources, particularly international students (are there any other education systems so dependent on this source?). Digital technology use for learning was also dependent on parental provision in just over half the schools.

Only 24% of secondary principals believed their school's entitlement staffing was sufficient to meet their school's needs, and 76% employed additional teachers, for *NZC* areas as well as to meet the needs of diverse students, including international students.

Many secondary principals had difficulty finding suitable teachers to fill their school vacancies: 30% generally, and 51% in particular curriculum areas. Finding te reo Māori teachers was a difficulty for 31% of the principals, particularly teaching the language at a high level.

Middle management positions were also difficult to fill for 55% of the principals, largely because of the workload.

Competition for students has sharpened somewhat since 2012. While 40% of secondary schools now have enrolment zones, these zones do not seem to reflect real pressure for places within the local area, with 34% of zoned schools drawing more than 20% of their students beyond their zone. Competition for students was highest in metropolitan and small city schools.

Decile 9–10 schools were in the most stable situation and decile 1–2 schools generally in the most challenging situation with regard to funding, staffing and competition.