

Comparison between the school closure and merger of state schools

This table provides information on the differences between what a school closure and merger means for the schools involved.

Description	Closure	Merger
Definition	The school closes and the Board of Trustees legally ceases to exist on a specified date.	Two or more schools merge to form one school with one Board of Trustees. One school is designated as the continuing school. The other school(s) is/are the merging school(s). From an accounting and legal perspective, it is necessary for one of the institutions to continue and the others to merge into it. The merged school may occupy one or both of the existing school sites, or an alternative site. The school designated as the continuing school may or may not be the school currently occupying the site chosen for the merged school.
Legislation	Section 154 of the Education Act 1989.	Section 156A of the Education Act 1989.
Timing	<ul style="list-style-type: none"> » There is no restriction on the timing of the decision of the closure or its implementation (except that the relevant period of notice must be given to staff). » The Collective Agreement for secondary school teachers presupposes that the date of closure is 27 January. 	<ul style="list-style-type: none"> » The merger takes effect no earlier than one full school term after the Minister's decision has been gazetted (eg for a merger to be implemented in term 1, it would need to be agreed and gazetted in term 3 of the previous year). » The Collective Agreement for secondary school teachers presupposes that the date of merger is 27 January.



Governance and Board of Trustees responsibilities

Description	Closure	Merger
<p>Board of Trustees</p>	<ul style="list-style-type: none"> » The Board of Trustees of a closing school ceases to exist on the date of closure and has no rights or responsibilities beyond that date. » A residual agent is appointed to wind up the affairs of the Board of the closing school. » A change manager is usually engaged to help plan and implement the practical aspects of the closure process. 	<ul style="list-style-type: none"> » The Board(s) of the merging school(s) continues to run its own school until the date the merger takes effect. The Board(s) ceases to exist as a legal entity on the date of the merger. » Before the merger date the Board of the continuing school still makes decisions for the continuing school. But it also makes decisions and exercises powers to prepare for the merged school during what is called the interim period (explained below). » The Minister will specify whether during the interim period the Board of the continuing school will be (a) an Appointed Board or (b) the elected Board of the school plus co-opted trustees representing the merging school(s) (see below). » Authority to make decisions about the merger is vested in the continuing Board. » The continuing Board may create a committee containing a mix of trustees and non-trustees, and vest some authority to make decisions about the merged school in that committee. » The continuing Board may also run community consultation or establish reference groups if it wishes.



Description	Closure	Merger
<p>Governance of merging and continuing schools during the interim period</p>		<ul style="list-style-type: none"> » The interim period is the time between a date specified by the Minister in the notice gazetted the merger, and the date on which a new elected board for the merged school takes office (see below). » If the Minister decides the Continuing Board will be an appointed Board: <ul style="list-style-type: none"> – The Minister will specify in the notice what the constitution of the appointed Board will be (eg how many appointed trustees, co-opted trustees etc). – The trustees on the continuing school Board go out of office the day before the interim period starts. – The trustees appointed to the appointed Board take office on the day the interim period starts and govern the continuing school during the interim period. » If the Minister decides the continuing Board will be the Board of the continuing school plus trustees co-opted to represent the merging school(s): <ul style="list-style-type: none"> – The continuing Board must co-opt at least 1 trustee to represent the/each merging school(s) within 28 days of the merger being gazetted.
<p>General Board Elections</p>	<ul style="list-style-type: none"> » If a closure is proposed, but not decided upon elections must proceed as per normal. » If a closure has been notified in the Gazette before a scheduled board election, elections do not need to take place. » If there are fewer than 3 parent representatives nominated, a commissioner is appointed. 	<ul style="list-style-type: none"> » If the merger is to take place after a board election year, the triennial election still takes place. » If there are fewer than 3 parent representatives nominated for election, a commissioner is appointed.
<p>Board of Trustees of newly merged school</p>		<ul style="list-style-type: none"> » The continuing Board must hold elections for a new Board membership within 3 months of the day the merger took effect. » The elected Board then remains in office until the next triennial board elections.
<p>Managing the change</p>		<p>The board of the continuing school takes the lead in making the changes that occur.</p>



Employer responsibilities

Description	Closure	Merger
<p>The role of the Board as the employer</p>	<p>Teaching staff</p> <p>There is a formal and clearly defined process for school closures and all teaching staff, including the Principal, are covered by the provisions outlined in their relevant employment agreement.</p> <p>Teaching staff from schools that are closing are able to apply for other roles, but will not have preferred status for any positions.</p> <p>Support staff (including caretakers, cleaners groundstaff)</p> <p>Support staff at closing schools will also be affected and the provisions of the relevant employment agreement apply.</p> <p>The board is required to meet its employer costs of redundancy entitlements.</p>	<p>Teaching staff</p> <p>Teaching staff from schools merging have the right to apply for the new positions. This is a two stage process. Initially, the recruitment for teachers at the merged schools will first be opened to existing permanent teachers at the two affected schools. If there are no suitable applicants, positions are then advertised and filled externally.</p> <p>If any teaching staff are unsuccessful in applying for positions, the provisions outlined in their relevant employment agreement apply.</p> <p>The Principal's position in the merged school must be advertised externally.</p> <p>Support staff</p> <p>Support staff from schools that are merging have the right to apply for the new positions. If unsuccessful in applying for a position, the redundancy provisions in the relevant employment agreement apply.</p>



Students

Description	Closure	Merger
Student enrolment	Students enrol in a different school or schools.	Students from the merging schools are transferred to the roll of the continuing school, or may choose to enrol in another school they are entitled to attend.
School Transport	Normal school transport assistance policy will apply.	The Ministry may consider combining the transport entitlement zones of the merging schools with that of the continuing school in order to best serve the new schooling arrangement. This supports the intent of the merger agreement and guarantees the transport eligibility rights for the students in the merging schools.
EDI funding	<p>When schools close or merge, additional resourcing called Education Development Initiative (EDI), paid from the savings created by the reorganisation, is available for projects to strengthen students' achievement.</p> <p>The school where the student next enrolls is eligible to access EDI funding. The receiving school must submit a plan to their local Ministry for how the EDI funding will be used to enhance student achievement. The receiving school has 6 years in which to use this funding.</p> <p>In some circumstances a decision is made to retain EDI funding to a particular community/city. This means that if students leave the city to live elsewhere they do not carry EDI funding.</p>	<p>When schools close or merge, additional resourcing called Education Development Initiative (EDI), paid from the savings created by the reorganisation, is available for projects to strengthen students' achievement.</p> <p>The school where the student next enrolls is eligible to access EDI funding. The receiving school must submit a plan to their local Ministry for how the EDI funding will be used to enhance student achievement. The receiving school has 6 years in which to use this funding.</p> <p>In some circumstances a decision is made to retain EDI funding to a particular community/city. This means that if students leave the city to live elsewhere they do not carry EDI funding.</p>



Financial and asset management

Description	Closure	Merger
Financial	<ul style="list-style-type: none"> » At the date of closure, the assets and liabilities of the Board of the closing school revert to the Ministry of Education (including banking staffing). » As long as the Board is not in deficit, the Ministry generally agrees to the assets being distributed between other state schools in the local area. This is usually detailed in the EDI memorandum of agreement. Note: assets cannot be given to individuals or organisations other than state or state-integrated schools. » The EDI funding from the closure is used to support students as they transition to their new schools and for projects that raise student achievement. 	<ul style="list-style-type: none"> » Assets and liabilities of the merging school(s) are passed to the continuing school (including banking staffing) at the date of the merger. If resources are not required by the continuing school, they may be distributed to state schools in the local network. » An EDI memorandum of agreement is drawn up between the schools that merge and the Ministry. » The EDI funding generated by the merger is to be used to support learners as they transition to their new schools and for projects that raise student achievement. While there may be EDI funds that go to schools outside the merger, it would be expected that the bulk of this funding will remain with the continuing school.
Managing assets and resources	<ul style="list-style-type: none"> » All assets revert to the Crown. » Assets can be distributed only if the school's financial position is positive at the date of closure. » A Memorandum of Understanding is developed for the distribution of assets to other schools. » A residual agent manages the finances until final audited accounts are completed. 	The assets and resources from the merging school(s) become the assets of the continuing school.
Property entitlements and accessing property funding		<ul style="list-style-type: none"> » The merged school receives funding to modernise on the merged site. » The board will need to produce a 10 property plan (10YPP).

Notes:

1. State schools of different year levels may merge and the merged school can be whatever year levels the Minister states in the Gazette notice. The details of the merger, however, must have been consulted on before the Minister agrees to the change.
2. There is no legal provision for state-integrated schools to merge. This process is achieved legally by the proprietor and the Crown agreeing to the cancellation of the integration agreement, and closure of one school and an increase in the maximum roll (and often a change of school name and site plan update) at the other.
3. Where designated character schools (established under section 156 of the Education Act 1989) wish to merge, they must be of the same designated character. If schools of different designated character wish to merge, the process would involve a change of designated character as part of the merger.