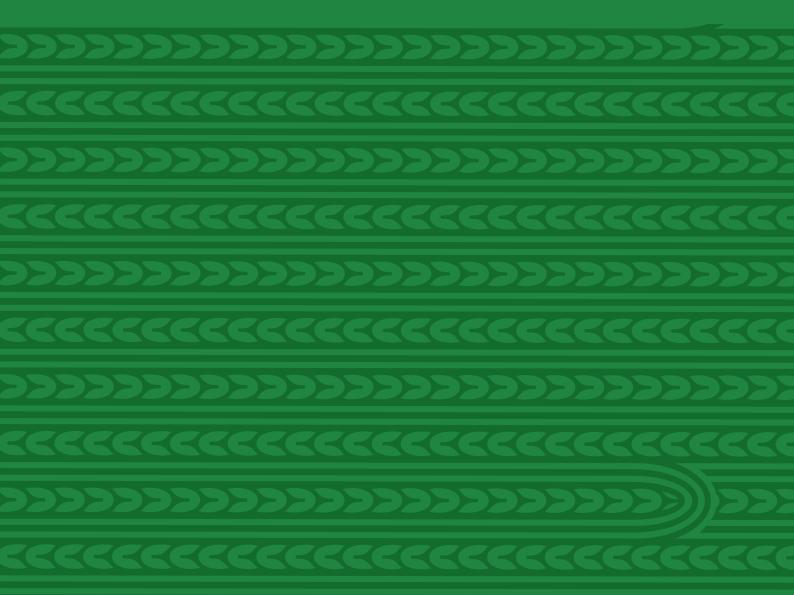# Assessing how schools are responding to the Equity Index

Executive summary

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The Ministry of Education (hereafter, "the Ministry") provides schools and kura with equity funding, in addition to their core funding, so they can work in different ways to help students with socioeconomic barriers reach their potential. Through Budget 2022, the Government has provided a 50% ($75 million) increase in equity funding.

From January 2023, the Ministry has used the Equity Index (EQI) to determine a school's level of equity funding, replacing the existing decile system.

The New Zealand Council for Educational Research (NZCER), on contract to the Ministry, undertook research that feeds into Objective 1 of the EQI wider evaluation plan (i.e., assessing how schools are responding to the EQI) and the associated key questions:

1. To what extent are schools/kura implementing initiatives, practices, and resources designed to address socioeconomic barriers? (baseline)
2. To what extent are schools/kura changing practices or expenditure decisions to address socioeconomic barriers in response to funding changes resulting from the EQI?

What we did

A case study methodology was used to provide nuanced understandings of how 15 English-medium schools from across Aotearoa New Zealand support their students to achieve equitable outcomes, and how that might change with the introduction of the EQI. The report also describes schools' initial perceptions of, and reactions to, the new EQI system. Of note is that our sample over-represents schools whose equity funding will decrease substantially over the next few years. Those schools may have felt more driven to take part in our research to share their views about the potential impacts of equity funding cuts.

What we found

Our findings indicated that schools already engage in a wide range of equity-focused practices and initiatives, including access to resources, that are funded by multiple sources (i.e., not just via equity funding). While this is reassuring, schools also expressed how stretched they felt as they try to provide for students who face socioeconomic barriers on top of grappling with policy changes (e.g., NCEA Change Programme, changes to school planning and reporting processes), post-COVID fatigue, and increased demands for mental health and wellbeing support for students.

School principals described a range of ways they focused on equity including through localised curriculum development, building partnerships with whānau and community and culturally sustaining practices, and by increasing their focus on language, culture, and identity in the classroom. These were reflected in their strategic plans.

Schools' systems and processes for identifying individual students who face socioeconomic barriers were mostly informal, organic, and predicated on strong partnerships with the community. In schools where the community was small or well known, and in ones where staff were proactive at getting to know the community, these partnerships seemed easier to develop and more useful for understanding students' needs.

Whereas this research aimed to explore how schools rationalise their spending of the equity funding allocation, this was not how schools made expenditure decisions focused onto supporting students who face socioeconomic barriers. Instead, schools treated the various funding allocations as one

funding pool, then decided on their spending priorities. The three main priorities that schools referred to when it came to spendings tied to reducing barriers for students were: increasing accessibility; meeting students' basic needs; and resourcing for learning and teaching.

The way schools respond to equity issues seemed to depend on four key leadership factors (clear vision and strategy, skilful financial management, support from board of trustees, and shared decision making with students, whānau, and staff). Effective implementation of these factors depends on development and support for new and aspiring leaders wanting to navigate, and ultimately address, educational inequities in their schools.

Overall, schools we spoke with were generally in agreement that the EQI system is a step in the right direction. They welcomed the new system and were hopeful it would provide more targeted funding to schools in line with their unique contexts and needs. We found that principals were less positive that the equity funding changes would improve equitable outcomes or that they would positively impact student achievement, engagement, and attendance.

As expected, schools whose equity funding will decrease gave more examples of what will be reduced due to equity funding cuts. Those schools were less certain about the future, perceived equity funding cuts as "punishment", and indicated that important social and cultural support roles will be most affected. On the other hand, schools whose equity funding will increase had already made plans for spending the additional amount, though most of them emphasised that the additional funds are generally not enough to keep up with the increasing demands on schools.

Our key messages

There is a need for clear definitions of equity and equitable outcomes in education

We found many examples of practices, initiatives, and resources in place to support students who face socioeconomic barriers. Every school was doing something different that aligned with their unique contexts, challenges, and needs. What we also found was that different schools had a different understanding of terms like "equity", "equality", and "inclusion". Some schools were hesitant to speak of "equity" as they perceived that to be in tension with ideas about "equality", "inclusion", and "equal opportunities" for all (e.g., schools not doing anything "special" for Māori because they perceive that to mean other students may miss out). Our analysis indicates that the way schools think about equity has a bearing on the types of supports they invest in and for whom.

System-wide sharing of good policies, processes, and practices to support students achieve equitable outcomes is vital

Our study highlighted many of the practices, initiatives, and resources that have been described in previous research as effective or important for supporting student wellbeing and educational outcomes. It is important to develop ways to mobilise knowledge around "what works" to improve equitable outcomes, and for schools to support each other to achieve equitable outcomes for their learners. At the same time, we also heard of some practices and expenditure decisions that did not seem likely to lead to improved outcomes. It is equally important to have opportunities for schools to unpack these practices and learn more about alternative practices they could adopt when focusing on equity and equitable outcomes in their contexts.

The EQI system is complex to understand

Participants in this research, even when they thought they understood the EQI, seemed to misunderstand some of the key features and elements of the system, including how the EQI is calculated, and how it is applied to schools. School leaders were unclear on their eligibility for initiatives (e.g., healthy lunch programme and donation scheme) under the new system. On one hand, the system has only just been implemented and its complexity reflects the complexity and depth required to accurately resource schools to support students who face socioeconomic barriers. On the other hand, this complexity introduces a risk that schools may not understand how to interpret and communicate the changes, in lay language, to their community.

Increasing Ministry communication and support could clarify misunderstandings about the EQI and associated changes

Relative to the key message above, it appears to be important for the Ministry to consider releasing frequent clear communication and messaging (e.g., via online guidelines, FAQs, PLD) around the EQI and what it means for schools' potential change in practices. Some schools we spoke with indicated the need for a central point of contact to help them navigate the changes, to ensure they are receiving appropriate and constructive advice.

Schools losing funding planned to cut core equity-focused actions

An unintended negative consequence for schools whose equity funding will decrease is the likelihood that they will cut their social and cultural support roles. Such roles are important to supporting the wellbeing and educational outcomes of learners and are often positioned to foster positive identities and cultures in schools.

Schools are using EQI funding to address poverty

One of the schools' priorities for supporting students who face socioeconomic barriers was to ensure they meet their basic needs. This included funding uniforms, stationery, food, and access to health and social services for students and whānau. We are cognisant of how challenging it can be for some schools to try to address issues associated with socioeconomic barriers like poverty and suggest that systemic inequities are tackled as a cross-government funding priority so that schools do not feel they are shouldering the responsibility.

Teasing out EQI system changes and equity funding effects on student outcomes may prove challenging

Assessing the unique impact of the EQI on school practices, student outcomes, and community perceptions will be difficult to achieve. School leaders in this study did not treat equity funding as a distinct source of funding. Also, schools engage in multiple initiatives a year, funded from different sources, with opportunities for improving equity outcomes central to almost all of those. Therefore, it may be difficult in the long run to attribute improvements to equity and equitable outcomes in education *solely* to the introduction of the EQI system. It may also be challenging to track system-wide shifts in perceptions and practices, with schools committing to several, simultaneous and inter-related initiatives.

Many equity-focused actions require school-wide PLD

Many equity-focused practices, initiatives, and resources rely on PLD funding and effective school-wide communication and implementation processes to ensure these are ultimately embedded to support students who face socioeconomic barriers. Our findings point to varied understandings and practices that are "equitable"' or '"equity-focused'". PLD with an explicit focus on equity could support schools' understanding of equity-focused practices and how these could lead to improved equitable outcomes.

School leaders play a critical role in navigating policy change

The importance of leading for equity was visible across our findings. School leaders spoke about key leadership practices that enabled them to successfully enact their vision and strategy. These practices will become more vital in the years ahead, as principals continue to navigate through the EQI changes and steer the direction of their school.