All redactions made under s9(2)(f)(iv) of the OIA

Education Report: Budget 2022 – Budget 22 Post Bilateral Package

To:	Hon Chris Hipkins		
Date:	18 February 2022	**Priority:**	High
Security Level:	Budget Sensitive	**METIS No:**	1281927
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Messaging seen by Communications team:	No	**Round Robin:**	No

Purpose of Report

To provide you with a proposed Education Budget package for discussion at the 21 February agencies meeting involving yourself, Associate Ministers of Education and Ministry Officials.

Background

1 Following the ministerial bilateral between yourself and the Minister of Finance on 16 February, you requested a table setting out a possible Budget 2022 Education Package for discussion with Associate Ministers.

2 This is appended for your consideration and discussion. The appended table sets out how a significantly reduced allowance could be allocated across Ministerial priorities, annual cost adjustments, unavoidable cost pressures and the seven clusters.

Recommended Actions

The Ministry of Education recommends you:

a. **note** the Ministry has developed a 9(2)(f) billion package for you to consider and discuss with Associate Ministers,

Noted

b. **do not proactively release** this Education Report at this time because the information contained within it is Budget sensitive.

Release / Not release

John Brooker
Group Manager
Te Puna Kaupapahere

18/02/2022

Chris Hipkins
Minister of Education

__/__/____ 21/2/2022

Annexes

Annex A: Budget 22 Post Bilateral Package

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BUDGET AND INDUSTRIAL RELATIONS SENSITIVE

Draft Education Budget 22 Package following Bilateral			
Cluster	**Funding**		**Includes/proposed focus**
	December	**Post Bilateral**	
Pay parity	**OPEX** [redacted]	**OPEX** [redacted]	- Continuing to move towards pay parity for education and care teachers (specified for inclusion by Minister Hipkins)
Equity	**OPEX** [redacted]	**OPEX** [redacted]	- Equity Index – Implementation in schools and kura, and system infrastructure costs for early learning services (specified for inclusion by Minister Hipkins)
Cost adjustments	**OPEX** [redacted]	**OPEX** [redacted]	- 2.9% Cost Adjustment for Schools' Operational Grant - 2.9% Cost adjustment for early learning services - 2.9% Cost Adjustment to Tertiary Tuition and Training Subsidies
Unavoidable commitments	**OPEX** [redacted]	**OPEX** [redacted]	- Resolving the funding shortfall in Kāhui Ako (Communities of Learning) - EPL Fees Review - Replacement of an Unsupported Payroll/HRIS system (NZQA) - School Transport – baseline and ICT transformation - PPP School Expansion - Managing Export Education Levy Revenue Pressure - Funding higher demand for tertiary education and training
Tomorrow's Schools	**OPEX** [redacted]	**OPEX** [redacted]	- Continuing the Reform of the Tomorrow's Schools System
Curriculum	**OPEX** [redacted]	**OPEX $135m**	- Teaching, Learning and Assessment for Progress in Literacy and Maths - Developing Te Reo Matatini, Pāngarau and Aromatawai Research, Tools, Resources and Supports for Workforce and Ākonga - NCEA Change Programme - Kaupapa Māori - supplementary funding - NCEA Change Programme - NZC delivery model and programme costs- supplementary funding
Digital	**OPEX** [redacted]	**OPEX $27.4m**	- Cybersecurity & Managed Digital Services for Schools
Education Infrastructure	**OPEX** [redacted]	**OPEX** [redacted]	- Te Pūkenga – New Zealand Institute of Skills and Technology Capital Investment Fund - Land purchases for new schools identified in the NEGP - Christchurch Schools Rebuild - Māori Medium Property - National Education Growth Plan (NEGP) - National Schools Redevelopment Programme (NSRP) - Furniture and Equipment Grant for School Property
Māori Education	**OPEX** [redacted]	**OPEX $80m**	- New Funding to grow Māori Language Education Provision Across the System - Iwi / Māori Workforce Support Package
Pacific Education	**OPEX** [redacted]	**OPEX $15m**	- Pacific bilingual and immersion education- Growing and retaining workforce - Dawn Raids Apology: Maintain value of Tulī Takes Flight, Pacific Education Foundation and Tagaloa scholarships - Further delivery of sustained Professional Learning and Development to embed Tapasā - [redacted]
Wellbeing	**OPEX** [redacted]	**OPEX** [redacted]	- Creating safe, inclusive schools – Targeted and Intensive supports for Māori & Pacific learners at risk of disengaging - [redacted] Alternative Education Provision – Cost Pressure [redacted] - Supporting schools to improve student attendance, engagement and participation - Increased funding for Te Kura's at-risk students to better align funding rates with alternative education settings - Price increase for Incredible years programmes - Strengthening New Zealand Sign Language in Education - cost pressure - [redacted] - Creating safe, inclusive schools: Strengthening Positive Behaviour for Learning School-Wide (PB4L-SW) - Community Learning Hubs - Maintaining and expanding support for ethnic communities' engagement in education
Education Package	**OPEX** [redacted]	**OPEX** [redacted]	Note this excludes precommitments

Initiatives current proposed to be removed			
Cluster	**Funding**		**Initiative name**
	December	**Post Bilateral**	
[redacted]			

Proactively released

BUDGET AND INDUSTRIAL RELATIONS SENSITIVE

There are also [redacted] of precommitments for: Completing the Apprenticeship Boost Initiative ($127m*), Continued internet connectivity to support equitable digital access [redacted], COVID-19 cost pressures in schools ($10m). *ABI pre-commitment likely to reduce by $48.750m, which may be able to be re-deployed across the package.

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