

## Education Report: Additional cost of grandparenting Equity Index (EQI) initiatives

<b>To:</b>	Hon Jan Tinetti, Minister of Education		
<b>Date:</b>	21 June 2023	<b>Priority:</b>	High
<b>Security Level:</b>	In Confidence	<b>METIS No:</b>	1298957
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<b>Messaging seen by Communications team:</b>	No	<b>Round Robin:</b>	No

### Purpose of Report

1. The purpose of this briefing is to provide you with the estimated cost of grandparenting seven initiatives that will adopt the Equity Index (EQI). This advice was requested by Hon Chris Hipkins, Minister of Education, on 21 October 2022.

### Summary

2. In October 2022, we provided you advice on the recommended approach to retire current uses of decile and implement the EQI [METIS 1295148]. This included recommendations about the transition approach for 35 initiatives that will use the EQI or Isolation Index.
3. You made decisions on the appropriate timing to transition initiatives from the decile system to the Equity Index (EQI), with some initiatives being transitioned from 2024. We plan to notify schools and kura about the changes in Term 3 of 2023.
4. This briefing outlines the cost of grandparenting the following seven initiatives:
  - a. Books in Homes (Duffy books in homes)
  - b. Creatives in Schools
  - c. Innovative Foundational Learning (BSLA)
  - d. Manaiakalani Education Trust (Outreach Programme Expansion)
  - e. Mathematics Support Teacher (MST)
  - f. Regional Allocated Professional Learning and Development (RAPLD)
  - g. Māori Medium School Transport
5. For these seven initiatives, it was agreed that changes in eligibility should be applied from 2024, so impacted schools and kura have sufficient time to be aware of the changes before they take effect. Therefore 2023 eligibility remains unchanged.

6. A grandparenting approach ensures that any school or kura currently eligible would not lose eligibility as the result of the initial implementation of the EQI. The total estimated cost of grandparenting across the seven initiatives is up to \$0.170 million per year, ensuring that effected schools continue to retain their current eligibility status.
7. The Ministry will reprioritise funding within baselines to cover the additional estimated cost of grandparenting the two initiatives.
8. Some of the seven initiatives already have existing grandparenting approaches in place. For those that do not, a new approach is required which will focus on those initiatives that deliver literacy and numeracy support.

## Proactive Release

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1. agree that the Ministry of Education release this briefing in full once it has been considered by you.

**Agree / Disagree**

## Recommended Actions

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The Ministry of Education recommends you:

- a. **note** that decisions have already been made about the timing to implement the transition arrangements for each initiative and that this briefing provides advice on grandparenting arrangements for the seven initiatives that were requested in METIS 1295148

**Noted**

- b. **note** that the costs of applying a grandparenting approach for the seven initiatives are estimated to be up to \$0.170 million additional funding per year. This is based on 2022 data

**Noted**

- c. **note** the Ministry will seek to use baseline funding to cover the estimated cost of grandparenting.

**Noted**

d. **note** there is no additional cost to grandparent for the following five initiatives

- i. Books in Homes (Duffy books in homes)
- ii. Creatives in Schools
- iii. Innovative Foundational Learning (BSLA)
- iv. Manaiakalani Education Trust (Outreach Programme Expansion)
- v. Regional Allocated Professional Learning and Development (RAPLD)

**Noted**

e. **agree** to apply a grandparenting approach for the following initiatives in 2024.

- i. Mathematics Support Teacher (MST)

**Agree /** Disagree

- ii. Māori Medium School Transport

**Agree /** Disagree

f. **agree** that the Ministry of Education release this paper in full once it has been considered by you.

**Agree /** Disagree



Julia Hardacre  
**General Manager System Delivery**  
**Te Pae Aronui**

22/06/2023



Hon Jan Tinetti  
**Minister of Education**

24/06 2023

## Background

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1. In October 2022, you made decisions on the transition approach and timing for 28 initiatives that currently use deciles [METIS 1295148]. You also requested further advice about the likely costs of grandparenting the following seven initiatives to ensure schools and kura could retain their current eligibility status.
  - a. Books in Homes (Duffy books in homes)
  - b. Creatives in Schools
  - c. Innovative Foundational Learning (BSLA)
  - d. Manaiakalani Education Trust (Outreach Programme Expansion)
  - e. Mathematics Support Teacher (MST)
  - f. Regional Allocated Professional Learning and Development – RAPLD
  - g. Māori Medium School Transport

## Transition approach for the seven initiatives

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2. There are seven initiatives that provide different support to schools and kura, teachers that support the broader objective of delivering the curriculum, and school transport for Māori Medium schools. These each currently use deciles to prioritise and allocate funding.
3. For these seven initiatives, it was agreed that changes in eligibility should be applied from 2024, so impacted schools and kura have sufficient time to be aware of the changes before they take effect. The transition from decile to EQI means that some schools and kura will no longer be eligible or will no longer be prioritised for specific schemes.
4. Additional funding will be required if schools and kura are to retain their current eligibility status once these initiatives have transitioned from decile to EQI. This is outlined below and broken down by each of the initiatives.

## Estimated costs of grandparenting existing eligibility

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5. We have assessed the impact of extending the proposed eligibility or prioritisation approach for the seven initiatives into 2024. Details of the estimated costs for each initiative are provided in Annex One.
6. For five initiatives, no additional funding is required as the impact of transitioning can be managed within the existing programme, or the EQI will not negatively impact those who were previously eligible under deciles.

### **‘Books in Homes’, ‘Creatives in schools’ and Innovative Foundational Learning (BSLA)– No grandparenting necessary/No transitional funding required**

7. Books in Homes (Duffy books) has an approach that means the existing programme grows year on year. As the result, those schools and kura that would have become ineligible can continue to remain in the programme. A recent Budget Bid has already secured additional funding for the expansion of the programme in 2023.

8. Creatives in Schools has a focus on providing creative learning experiences that enhances the wellbeing of students and ākonga. Schools and kura apply for funding for specific projects that are then approved through a moderation process. While EQI will be one of the considerations when approving applications, the primary focus of this initiative is on wellbeing.
9. If the available funding is likely to be exceeded the EQI will be considered (alongside other factors) in order to distinguish between applications of comparable merit. As a consideration, decile was not frequently used. Consequently, no additional transition funding is required.
10. Innovative Foundational Learning (BLSA) provides professional support for literacy specialists and, initially, new entrants and year 1 teachers. This initiative empowers teachers to be literacy specialists in areas where children are more likely to underachieve in terms of educational results due to their socio-economic environment.
11. EQI is one of many decision-making factors and will only be applied in specific circumstances. If applications exceed available funding or there is a need to decide between two comparable applications, EQI will be considered alongside other factors. As this will not prevent access to the scheme for any school or kura, no further funding is sought.

**Manaiakalani Education Trust (Outreach Programme Expansion) – no additional costs**

12. Manaiakalani Education Trust (Outreach Programme Expansion) aims to deliver technology, as well as technology focussed learning and educating learners and their families on how to use those technologies.
13. This programme is planned to complete in 2023 and this support will not be available going forward. As the result there is no negative impact of the transition to EQI on specific schools and kura.

**Regional Allocated Professional Learning and Development - RAPLD**

14. For Regionally Allocated Profession Learning Development (RAPLD), funding is allocated to the regions on an annual basis. The individual schools and kura can apply for RAPLD each year. Applications go to a regional panel for decisions. One of the factors in making decisions used historically was deciles. However, this was one of many factors applied by the panel to make RAPLD assessments.
15. The applications for RAPLD, provide sufficient flexibility for the allocation of funding to allow those with a higher equity index number to still receive funding through this process and therefore additional is not require funding this process.
16. For the remaining two initiatives, a consistent approach has been applied when determining the potential costs. This will ensure that two cohorts of schools and kura would be eligible to receive access to each scheme:
  - a. those who are currently eligible will remain eligible, and
  - b. those who would become newly eligible under the EQI, are also able to receive support.

**Mathematics Support Teacher (MST) - \$0.124m - \$0.137m per annum**

17. Mathematics Support Teacher (MST) – supplementary support fund for placing mathematic teachers in schools to focus on students who are not meeting expectations in mathematics.

18. In transitioning there are 42 schools will become newly eligible when using the EQI, and five schools would no longer be eligible. The estimated cost to grandparent eligibility to this initiative is \$0.124m - \$0.137m per year.
19. The Ministry will seek to reprioritise the estimated cost through baselines.

#### **Māori Medium School Transport - \$0.030m - \$0.033m per annum**

20. Māori Medium School Transport funding is intended to provide support to kura, whānau, and ākonga who may face transportation difficulties in accessing Māori medium education.
21. There is a relatively small number of Māori Medium schools who access this fund and therefore the changes are not significant. When transitioning only one school would become ineligible and four would become newly eligible.
22. The estimated cost to grandparent eligibility to this initiative is \$0.030m – \$0.033m per year and will sought to be covered through baseline funding.

### **Risks**

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#### **The actual cost of the scheme in 2024 may be higher than we have estimated**

23. The analysis contained within this paper relies on several assumptions about the schools and kura that will receive support in 2024. The actual cost of grandparenting these initiatives may be higher than estimated if there are different levels of participation.
24. The analysis contained in this paper is based on 2022 school rolls, as this is the most recent data available. If the number of students opted into an initiative are higher, or more schools than we expected apply for funding, we would require more than the estimated costs to implement a grandparenting arrangement.

#### **Additional funding will likely be required for 2024 onwards if grandparenting eligibility is continued.**

25. The proposed approach provides support for the initial transition from deciles to EQI. If grandparenting was extended beyond the 2024 year, there is a risk that more schools and kura may become eligible for these initiatives. While the overall cost of grandparenting is expected to remain low, we would need to seek additional funding each year to cover the costs of continuing to fund these schools and kura within the programmes.
26. This may also lead to inequity across the sector due to historical use of deciles continuing to allow some, but not all like schools and kura, access to some schemes.

### **Next steps**

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27. In order to give notice of the upcoming changes, we plan to notify impacted schools and kura in Term 3 of 2023. This will ensure that there is sufficient time for them to understand the change and its impact on their access to services, prior to the changes taking effect in 2024.

## Proactive Release

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28. It is recommended that this Education Report is proactively released, with any information needing to be withheld done so in line with the provisions of the Official Information Act 1982.

## Annexes

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The following are annexed to this paper:

Annex 1:      Estimated cost to grand-parent existing eligibility for specific business initiatives.



# Annex 1: Estimated cost to grand-parent existing eligibility for specific business initiatives.

	Initiative name	Modelling Approach	Estimated cost to grandparent
1	Books in Homes (Duffy books in homes)	<p>Estimated that 148 schools will become newly eligible, and 56 schools would no longer be eligible.</p> <p>Note there is already a programme in place to extend the number of schools and kura eligible each year and sufficient funding exists to cover those 56 schools that would lose eligibility. Under the old decile, any school that lost eligibility would receive a 12-month grace period.</p> <p>Under the existing approach, no additional funding is required.</p>	N/A
2	Creatives in schools	<p>EQI is one of many decision-making factors and will only be applied in specific circumstances.</p> <p>If applications exceed available funding or there is a need to decide between two comparable applications, EQI will be considered alongside other factors.</p> <p>As this will not prevent access to the scheme for any school or kura, no further funding is sought.</p>	N/A
3	Innovative Foundational Learning (BSLA)	<p>EQI is one of many decision-making factors and will only be applied in specific circumstances.</p> <p>If applications exceed available funding or there is a need to decide between two comparable applications, EQI will be considered alongside other factors.</p> <p>As this will not prevent access to the scheme for any school or kura, no further funding is sought.</p>	N/A
4	Manaiakalani Education Trust (Outreach Programme Expansion)	This programme is planned to complete in 2023 and this support will not be available going forward. As the result there is no negative impact of the transition to EQI on specific schools and kura.	N/A
6	Regional Allocated Professional Learning and Development - RAPLD	For Regionally Allocated Professional Learning Development (RAPLD), funding is allocated to the regions on an annual basis. The individual schools and kura can apply for RAPLD each year. Applications go to a regional panel for decisions. No negative impact moving to the EQI	N/A
5	Mathematics Support Teacher (MST)	An additional 42 schools and kura would become ineligible and five schools would become newly eligible.	\$0.124m - \$0.137m
7	Māori Medium School Transport	One Māori Medium school would become ineligible and four would become newly eligible.	\$0.030m – \$0.033m
<b>Total estimated range of known costs</b>			<b>\$0.154m - \$0.170m</b>