



Education Report: Blind and Low Vision Education Network New Zealand's resourcing allocation

To:	Hon Chris Hipkins, Minister of Education		
Date:	17 May 2021	Priority:	Medium
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Messaging seen by Communications team:	N/A	Round Robin:	No

Purpose of Report

This paper seeks your approval to change the way the Blind and Low Vision Education Network New Zealand (BLENNZ) are resourced to support students who are blind, deafblind or have low vision.

Summary

BLENNZ provides residential and day school functions for students who are blind, deafblind or have low vision.

Unlike the school's other services, BLENNZ's national assessment services (NAS) and residential services have historically been resourced solely through operational funding, with no staffing entitlement provided. This allowed BLENNZ to determine the ratio of teaching and non-teaching staff required to provide these services and fund these teachers through operational funding. The school has now determined this ratio.

The 2019 teacher salary rate increases from collective bargaining have directly impacted BLENNZ's operational funding. More of the school's operational funding is needed to cover the increased costs of employing teachers in their NAS and residential services. As a result, the school has less operational funding to cover other costs it must meet to provide its services.

BLENNZ have asked that the Ministry of Education provide a staffing entitlement for their NAS and residential services to address the ongoing impact of the salary rate increase on their operational funding.

We recommend that BLENNZ is provided with a staffing entitlement equalling the number of teaching positions the school have determined are required to provide these services to a high standard and the school's operational funding is reduced by the equivalent amount.

The recommended approach provides BLENNZ with certainty of adequate staffing and avoids further reductions to the school's operational funding because of teacher salary rate increases.

Recommended actions

The Ministry of Education recommends you:

1. **approve** the adjustment of BLENNZ resourcing by increasing BLENNZ's staffing entitlement by 5.60 FTTE and decreasing the school's operational funding by the equivalent amount.

☒ **Approve/** ☐ **Disapprove**

2. **agree** that the change be given effect via the Education (2022 School Staffing) Order 2021, which is currently being developed.

☒ **Agree**

Proactive release recommendation

3. **agree** that this report be proactively released.

☒ **Agree /** ☐ **Disagree**


Katrina Casey
Deputy Secretary
Sector Enablement and Support


Hon Chris Hipkins
Minister of Education

17/5/2021

15/6/2021

Background

4. The Blind and Low Vision Education Network NZ (BLENNZ) provides educational programmes and specialist support services to children and young persons throughout New Zealand who are blind or have low vision.
5. National assessment services (NAS), and specialist Developmental Orientation and Mobility services, together with the Year 1 to 13 Homai Campus School, are based at the national hub in Manurewa, South Auckland. The national network comprises 14 regional Vision and Resource centres, and includes residential facilities on the Homai campus. Over 1500 students across New Zealand receive services from BLENNZ.

BLENNZ's resourcing structure

6. The Ministry of Education (the Ministry) provides a staffing entitlement and operational funding to BLENNZ.
 - a. As at January 2020, BLENNZ receive 122.83 full-time teacher equivalent (FTTE) staffing entitlement. This consists of 6.90 FTTE staffing entitlement, 47.90 FTTE Ongoing Resourcing Scheme staffing entitlement, and 68.03 FTTE additional staffing entitlement.
7. The NAS and residential services are funded from BLENNZ operational funding, not from staffing entitlements.
 - a. BLENNZ employs 5.60 FTTE teaching staff for the NAS and residential services, with 2.60 FTTE in residential services and 3.00 FTTE in the NAS. These teachers are on the Primary Teachers' Collective Agreement.
8. Under section 580(b) of the Education and Training Act 2020 boards may employ and fund the payment of teachers from their operational funding rather than staffing entitlement. If a board chooses to fund teachers from operational funding they must manage the associated financial obligations and conditions of this, and consider the merits and consequences. One such consequence is that, in effect, teacher salary rate increases erode operational funding.

Adjusting BLENNZ's resourcing allocation

9. The increase in teacher salary rates resulting from the June 2019 settlement of the Primary Teacher Collective Agreement has impacted BLENNZ's operating budget. The impact is substantial and BLENNZ has identified a resourcing gap for its residential services and NAS.
10. BLENNZ has requested that the Ministry meet this resourcing gap with an increase to their staffing entitlement and offset this with a decrease in their operational funding.

Previous decisions

11. The Minister of Education agreed in 2014 to provide BLENNZ with 2.00 FTTE staffing entitlement and two management units for early involvement services and decreased their operational funding by \$167,336.50 [METIS 879725 refers]. This aligned the levels

10. A similar resourcing allocation change occurred in 2014. The Minister of Education agreed to provide BLENNZ with 2.00 FTTE staffing entitlement and two management units for early involvement services and decrease their operational funding by \$167,336.50 [METIS 879725 refers]. This change in resourcing allocation aligned the levels of staffing entitlement for preschool children for all three sensory schools, BLENNZ, van Asch Deaf Education Centre and Kelston Deaf Education Centre.
11. An increase in staffing entitlement would ensure BLENNZ is supported in lifting outcomes for all students they support through their residential services and NAS. It would also ensure that BLENNZ's registered and certificated teachers can be funded through staffing entitlement and any future increases in teacher salary rates will not be to the detriment of BLENNZ's operational funding.

Recommended resourcing allocation change

12. We recommend changing BLENNZ's resourcing allocation as follows:
 - Provide additional staffing entitlement of 5.60 FTTE to BLENNZ for each school year
 - Decrease residential services operational funding by the equivalent of 2.60 FTTE to offset the additional staffing entitlement; and
 - Decrease NAS operational funding by the equivalent of 3.00 FTTE.
13. We have calculated the reduction in operational funding for BLENNZ using the highest step of the PTCA in January 2019 of \$80,500, before the teacher salary rate increase. All figures are GST exclusive. We recommend using this rate because the request from BLENNZ was received before the PTCA rate increase was ratified in 2019.
14. The following table outlines the breakdown of reduction in operational funding for BLENNZ from NAS and residential services.

Table 1: Summary of changes to BLENNZ's resourcing allocation

Proposed Change	NAS	Residential services
Current operational funding	\$881,896	\$2,129,976
Proposed FTTE reduction	3.00 FTTE	2.60 FTTE
Resulting reduction in operational funding	(\$241,500)	(\$209,300)
Proposed new operational funding	\$640,396	\$1,920,676

Risks

15. There is a risk to BLENNZ's ability to fund teaching staff if this request is not approved. BLENNZ's operational funding will continue to be eroded by teacher salary rate increases. This may result in BLENNZ not being able to deliver the same high-quality services as they currently are. This has the potential to negatively impact educational outcomes for learners supported by BLENNZ's services.
16. Approving this request does not set a precedent because of how BLENNZ is resourced. The school is required by the Ministry to provide residential services and NAS and is funded to provide these services through a Resourcing Notice unique to the school. The only other school that could make a similar request is Ko Taku Reo Deaf Education New Zealand. Like BLENNZ, Ko Taku Reo is a specialist school that provides residential school functions.
17. Providing additional FTTE does not present a risk to BLENNZ's staffing entitlement.

Financial implications

18. Except for ACC levies, the increase of 5.60 FTTE staffing entitlement would be offset by the corresponding reduction in operational funding. BLENNZ has agreed to the funding assumptions used. This means that there is a small cost implication to the Ministry for ACC levies at a rate of 0.32 percent, totalling \$1,442.56.
19. Currently the school is in a strong financial position and is not considered to be at financial risk.

Next steps

20. If you agree to the recommendations, these changes will be given effect via the Education (2022 School Staffing) Order 2021, which is currently being developed.

Proactive release

21. We recommend that this briefing is proactively released as per your expectations that information be released as soon as possible. Any information that may need to be withheld will be redacted in line with the provisions of the Official Information Act.