

## Cabinet Paper material

### Proactive release

Minister & portfolio Hon Chris Hipkins, Minister of Education  
Name of package Equitable Digital Access for Learners and Whānau in 2023  
Date considered 21 November 2022  
Date of release 19 January 2023

#### These documents have been proactively released:

**Cabinet Minute: CAB-22-MIN-0527**

Date considered: 21 November 2022

Author: Cabinet Office

**Cabinet Minute: CAB-22-0535 Report of Cabinet Social Wellbeing**

Date considered: 28 November 2022

Author: Cabinet Office

**Cabinet Minute: SWC-22-MIN-0229**

Date considered: 23 November 2022

Author: Cabinet Office

**Cabinet Paper: Equitable Digital Access for Learners and Whānau in 2023**

Date Considered: 21 November 2022

Author: Minister of Education

#### Material redacted

Some deletions have been made from the documents in line with withholding grounds under the Official Information Act 1982. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

The applicable withholding grounds under the Act are as follows:

Section 9(2)(f)(iv) to protect the confidentiality of advice tendered by Ministers of the Crown and officials

You can read the Official Information Act 1982 here:

<http://legislation.govt.nz/act/public/1982/0156/latest/DLM64785.html>



# Cabinet

## Minute of Decision

*This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.*

### Equitable Digital Access for Learners and Whānau in 2023

#### Portfolio

#### Education

On 21 November 2022, Cabinet:

- 1 **referred** the submission *Equitable Digital Access for Learners and Whānau in 2023* [CAB-22-SUB-0527] to the Cabinet Social Wellbeing Committee (SWC) for consideration at its meeting on 23 November 2022;
- 2 **invited** the Minister of Education to submit a revised paper, if required, to SWC;
- 3 **authorised** SWC to have Power to Act at its meeting on 23 November 2022 to take decisions on the submission.

Rachel Hayward  
Secretary of the Cabinet



## Minute of Decision

**Report of the Cabinet Social Wellbeing Committee: Period Ended 25 November 2022**

On 28 November 2022, Cabinet made the following decisions on the work of the Cabinet Social Wellbeing Committee for the period ended 25 November 2022:

[illegible]

Out of scope	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

Rachel Hayward  
Secretary of the Cabinet

Proactively Released

**In confidence**

Office of the Minister of Education

Cabinet Chair

**Equitable digital access for learners and whānau in 2023**

**Proposal**

- 1 This paper seeks your approval of changes to appropriations and additional funding for Vote Education so that over 18,000 learner households can continue to be provided with free internet access through to the end of June 2023 through the *Equitable Digital Access* programme.<sup>1</sup>
- 2 Currently funded through to January 2023, the Ministry of Education's *Equitable Digital Access* service provides access to the internet for whānau who do not otherwise have this.

**Relation to Government priorities**

- 3 This Government is committed to supporting a world-class public education system, with a key focus on reducing barriers to education for all learners. We also remain committed to protecting New Zealanders from the health, social and economic impacts of the COVID-19 pandemic.

**Background**

- 4 Since March 2020, the Government has made a series of funding decisions to connect, and keep connected, over 18,000 learner households to the internet [e.g. CAB-MIN-20-0136 refers]. Over the past two years, this has formed an important component of wider work by the Ministry of Education ('the Ministry') to minimise COVID-19 related disruption to face-to-face teaching and learning and better enable learning from home.
- 5 Most recently, the Cabinet agreed to reprioritise savings from within the existing *Equitable Digital Access* programme budget to extend internet subsidies until the end of the 2022 school year [SWC-22-MIN-0062]. This funding is set to be exhausted in mid-January 2023 and, if the service is to continue, additional investment is required.

**Analysis: Keeping whānau connected in 2023**

- 6 The Government's investment to-date in the *Equitable Digital Access* programme has established essential infrastructure and granted access to the

---

<sup>1</sup> The Ministry contracted service providers to provide internet connection to over 40,000 learner households. Moving house, graduating secondary school, and cancellations requested by families for various reasons have resulted in the number of active subscriptions continually declining over the past 2.5 years reaching about 18,000 active connections at present.

internet for many whānau across the country. An evaluation of this work in 2020-21 shows that the benefits of digital inclusion are both broad and deep.<sup>2</sup> This evaluation not only demonstrated positive benefits to learner achievement but also far broader social and economic benefits which learners and their whānau experience.

- 7 For example, participants in the programme were able to:
  - maintain and build on social connections;
  - support others in their community;
  - continue with important cultural interactions;
  - continue religious activities; and
  - build economic independence and access new income sources.
- 8 Current contractual arrangements with internet service providers are due to expire in January 2023, when available funding runs out. Without further investment, whānau will either need to transition into private, commercial arrangements or possibly lose access. While COVID-19 presents less of a risk of disruption to face-to-face teaching and learning in 2022 and 2023, disconnection, nonetheless, presents risks for impacted learners who may no longer be able to access digitally enabled learning opportunities and engage in their learning outside the classroom.
- 9 This remains important because, over the 2022 school year, COVID-19 and other illnesses have created uneven patterns in attendance and I am aware that many schools and kura are still delivering some form of distance or hybrid learning, at different times. Indeed, COVID-19 continues to present a risk for face-to-face teaching and learning with recent data modelling suggesting case numbers could sharply rise if new variants drive a 'third wave'.<sup>3</sup>
- 10 Continuity of this service is also important at a time when schools and kura are working hard to address the disruption which COVID-19 has caused some learners' progress over the past two years.
- 11 Taking no further action will result in the disconnection of these households, and there is a risk that this will compromise continuity of learning for those relying on this type of support.<sup>4</sup> Additionally, once this service concludes, in the event of any possible resurgence of COVID-19 or other event which results in widespread school or kura site closures, the future reactivation of these household connections is likely to carry significant up-front costs.

<sup>2</sup> <https://www.educationcounts.govt.nz/publications/schooling2/digital-technology/evaluation-of-provision-of-connectivity-and-devices-a-covid-19-response>

<sup>3</sup> <https://www.health.govt.nz/system/files/documents/pages/trends-and-insights-report-11-november-2022.pdf>

<sup>4</sup> In this event, the Ministry will support whānau to transition into low cost, commercial arrangements to keep them connected but that may still not be affordable for many and it is expected that a significant proportion of this cohort will lose access.

## Whole-of-government approach

- 12 This work will provide much needed but temporary relief. It will not resolve longstanding digital equity issues and significant work is required to meaningfully shift this dial.
- 13 This fundamental need to 'close the digital divide' is reflected in the recently published *Te Rautaki Matihiko mō Aotearoa | The Digital Strategy for Aotearoa* which is built upon the pillar of 'Mahi Tahī – Inclusion' and an express need for "all New Zealanders [to be able to] afford a quality internet connection and internet-enabled device."<sup>5</sup>
- 14 Officials from different agencies are developing options for a multi-year, whole-of-government approach to improving digital inclusion, aligned to *Te Rautaki Matihiko mō Aotearoa* (this includes the Ministry of Education). However, neither the strategy itself, nor its associated action plan currently includes funding to further support the *Equitable Digital Access* cohort to remain connected beyond January 2023. Until the whole-of-government work progresses, no other solutions are available to keep these learners and their households connected.
- 15 It is our view that we should continue supporting learners and whānau who are reliant on this service while further planning takes place across agencies. In the event you agree to this extension of service, it is of no less importance that we work across Government to swiftly and urgently progress policy work to realise a truly digitally inclusive Aotearoa New Zealand – otherwise, we will find ourselves in an identical position in July 2023.
- 16 While the future of the *Equitable Digital Access* programme beyond June 2023 is uncertain, the proposed extension may provide time and space for Ministers to make decisions to establish possible funding through Budget 2023 to support ongoing equitable digital access.

## Financial Implications

- 17 Continuing this service for another six months to 30 June 2023 is estimated to be approximately \$5.9 million.<sup>6</sup> This accounts for 18,000 household connections at an average rate of \$50 per month and includes a small amount of contingency funding. An additional \$0.6 million is required for departmental staffing to implement and support this extension (including ongoing support to schools, kura and whānau).
- 18 This brings the total budget required to:
  - \$0.6 million departmental; and

<sup>5</sup> <https://www.digital.govt.nz/digital-government/strategy/digital-strategy-for-aotearoa-and-action-plan/the-digital-strategy-for-aotearoa/>

<sup>6</sup> Note that this is a weighted average of all retail prices which vary significantly based on type of connection and location.

- \$5.9 million non-departmental.

- 19 This cost is significantly lower than previously expressed because we are now servicing fewer households<sup>7</sup> and have secured significant discounts from key suppliers - bringing operational costs down.<sup>8</sup>
- 20 The majority of these costs can be met through existing *Equitable Digital Access* funding, but your agreement is sought in relation to both (a) changes to existing appropriations; and (b) some new investment to be charged against the between-Budget contingency fund.

*Existing funding*

- 21 Note that the initial funding for the Building COVID-19 Resilience through Equitable Digital Access initiative was approved by Cabinet via an in-principle expense transfer of \$12 million from 2021/22 to 2022/23 in the non-departmental output expense Curriculum Support, subject to the report back to the Committee and final amount available following the Ministry's audit (SWC-22-MIN-0062).
- 22 To ensure that the internet connection service is fully funded, the Ministry subsequently considered need to utilise underspends from other areas, such as non-departmental output expenses School Transport and School Lunch Programme, that would otherwise be returned to the centre. In June 2022, the Ministry requested additional in-principle expense transfers of \$3.750 million for the non-departmental output expense School Transport and \$1.750 million for the non-departmental output expense School Lunch Programme, with the final transfer amount capped at the likely cost of internet connection service of \$12 million.
- 23 The final composition of funding for the initiative has been determined, following finalisation of the Ministry's audit, as follows: \$8.850 million in the non-departmental output expense Curriculum Support, \$1.750 million in the non-departmental output expense School Transport and \$1.400 million in the non-departmental output expense School Lunch Programme.
- 24 In the first instance, this paper is seeking authorisation to transfer the funding from the non-departmental output expenses School Transport and School Lunch Programme to the non-departmental output expense Curriculum Support.
- 25 Approval of these transfers (recommendation 9) will cover pre-existing commitments to run this service from July-December 2022 (\$6 million) and

<sup>7</sup> The Ministry contracted service providers to provide internet connection to over 40,000 learner households. Moving house, graduating secondary school, and cancellations requested by families for various reasons have resulted in the number of active subscriptions continually declining over the past 2.5 years reaching about 18,000 active connections at present.

<sup>8</sup> Our main wholesale provider is 9(2)(f)(iv)



provide a further \$6 million to cover the proposed extension period (through to 30 June 2023).

*New investment*

- 26 It is then proposed that the departmental costs to run this service for the possible extension period be charged against the between-Budget contingency established as part of Budget 2022. This involves increasing departmental Output Expense: Support and Resources for Teachers by \$0.6 million.

**Legislative Implications**

- 27 There are no legislative implications relating to the matter described in this paper.

**Proactive Release**

- 28 It is my intention that this be proactively released once commercial arrangements are in-place. Any information which may need to be withheld will be done so in line with the provisions of the Official Information Act 1982

**Recommendations**

The Minister of Education recommends that the Cabinet:

- 1 **note** that, since March 2020, the Government has made a series of funding decisions to connect over 40,000 learner households to the internet - of which, 18,000 are currently active;
- 2 **note** that, most recently, the Cabinet agreed to reprioritise savings from within the existing *Equitable Digital Access* programme budget to extend internet subsidies until the end of the 2022 school year [SWC-22-MIN-0062];
- 3 **note** that current contractual arrangements with internet service providers are due to expire in January 2023, when available funding runs out; and that, without additional investment, this will result in the disconnection of these households if they are not able to afford a private, commercial arrangement;
- 4 **agree**, instead, that the Ministry begin work to extend the period of subsidy for any/all existing internet connections to the end of the 2022/23 financial year;
- 5 **approve** the following changes to appropriations to give effect to the policy decision in recommendation 4 above, with a corresponding impact on the operating balance and net debt;

\$m – increase/(decrease)
---------------------------

Vote Education Minister of Education	2022/23	2023/24	2024/25	2025/26	2026/27 & Outyears
<b>Multi-Category Expenses and Capital Expenditure:</b>  Improved Quality Teaching and Learning MCA  <b>Departmental Output Expense</b> Support and Resources for Teachers (funded by revenue Crown)	0.600				
<b>Total Operating</b>	<b>0.600</b>	-	-	-	-
<b>Total Capital</b>	-	-	-	-	-

- 6 **note** that, to ensure that the internet connection service is fully funded, Joint Ministers approved in-principle transfers from 2021/22 to 2022/23 of \$3.750 million for the non-departmental output expense School Transport and \$1.750 million for the non-departmental output expense School Lunch Programme (METIS 1288008 and METIS 1296496). These in-principle transfers were sought in addition to the initial \$12 million in-principle transfer from 2021/22 to 2022/23 for the non-departmental output expense Curriculum Support approved by Cabinet Social Wellbeing Committee (SWC-22-MIN-0062);
- 7 **note** that Joint Ministers agreed that the total amount of in-principle transfers referred to in recommendation 6 will be capped at the likely cost of internet connection service \$12 million (METIS 1288008);
- 8 **note** that the final composition of funding for the initiative has been determined, following finalisation of the Ministry's audit, as follows: \$8.850 million in the non-departmental output expense Curriculum Support, \$1.750 million in the non-departmental output expense School Transport and \$1.400 million in the non-departmental output expense School Lunch Programme and that further approval is now sought to transfer all funding to the non-departmental output expense Curriculum Support;

IN CONFIDENCE

- 9 **approve** the following changes to appropriations to give effect to the recommendation 8 above, with a corresponding impact on the operating balance and net debt;

	\$m – increase/(decrease)				
<b>Vote Education Minister of Education</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27 &amp; Outyears</b>
<b>Non-departmental Output Expense:</b>					
School Transport	(1.750)	-	-	-	-
<b>Non-departmental Output Expense:</b>					
School Lunch Programme	(1.400)	-	-	-	-
<b>Non-departmental Output Expense:</b>					
Curriculum Support	3.150	-	-	-	-
<b>Total Operating</b>	-	-	-	-	-
<b>Total Capital</b>	-	-	-	-	-

- 10 **agree** that the proposed changes to appropriations for 2022/23 above be included in the 2022/23 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply; and
- 11 **agree** that the expenses incurred under recommendation 4 above be charged against the between-Budget contingency established as part of Budget 2022.

Authorised for lodgement

Hon Chris Hipkins

Minister of Education



# Cabinet Social Wellbeing Committee

## Minute of Decision

*This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.*

### Equitable Digital Access for Learners and Whānau in 2023

**Portfolio**                      **Education**

On 23 November 2022, the Cabinet Social Wellbeing Committee, having been authorised by Cabinet to have Power to Act [CAB-22-MIN-0527]:

- 1        **noted** that since March 2020, the Government has made a series of funding decisions to connect over 40,000 learner households to the internet - of which, 18,000 are currently active;
- 2        **noted** that in April 2022, the Cabinet Social Wellbeing Committee agreed to reprioritise savings from within the existing Equitable Digital Access programme budget to extend internet subsidies until the end of the 2022 school year [SWC-22-MIN-0062];
- 3        **noted** that current contractual arrangements with internet service providers are due to expire in January 2023 when available funding runs out, and that, without additional investment, this will result in the disconnection of these households if they are not able to afford a private, commercial arrangement;
- 4        **agreed** that the Ministry of Education (the Ministry) begin work to extend the period of subsidy for any/all existing internet connections covered by the Equitable Digital Access programme to the end of the 2022/23 financial year;
- 5        **approved** the following changes to appropriations to give effect to the policy decision in paragraph 4 above, with a corresponding impact on the operating balance and net debt;

	\$m – increase/(decrease)				
<b>Vote Education</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27&amp;</b>
<b>Minister of Education</b>					<b>Outyears</b>
<b>Multi-Category Expenses and Capital Expenditure:</b>					
Improved Quality Teaching and Learning MCA					
<b>Departmental Output Expense</b>					
Support and Resources for Teachers (funded by revenue Crown)	0.600				
<b>Total Operating</b>	<b>0.600</b>	-	-	-	-
<b>Total Capital</b>	-	-	-	-	-

- 6 **noted** that, to ensure that the internet connection service is fully funded the Minister of Finance and Minister of Education (Joint Ministers) approved in-principle transfers from 2021/22 to 2022/23 of \$3.750 million for the non-departmental output expense *School Transport* and \$1.750 million for the non-departmental output expense *School Lunch Programme*, and that these in-principle transfers were sought in addition to the initial \$12 million in-principle transfer from 2021/22 to 2022/23 for the non-departmental output expense *Curriculum Support* approved by the Cabinet Social Wellbeing Committee [SWC-22-MIN-0062];
- 7 **noted** that Joint Ministers agreed that the total amount of in-principle transfers referred to in paragraph 6 will be capped at the likely cost of internet connection service of \$12 million;
- 8 **noted** that:
- 8.1 the final composition of funding for the initiative has been determined, following finalisation of the Ministry's audit, as follows:
- 8.1.1 \$8.850 million in the non-departmental output expense *Curriculum Support*;
- 8.1.2 \$1.750 million in the non- departmental output expense *School Transport*; and
- 8.1.3 \$1.400 million in the non- departmental output expense *School Lunch Programme*;
- 8.2 further approval is now sought to transfer all funding to the non-departmental output expense *Curriculum Support*;
- 9 **approved** the following changes to appropriations to give effect to the paragraph 8 above, with a corresponding impact on the operating balance and net debt;

	\$m – increase/(decrease)				
<b>Vote Education Minister of Education</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27 &amp; Outyears</b>
<b><i>Non-departmental Output Expense:</i></b> School Transport	(1.750)	-	-	-	-
<b><i>Non-departmental Output Expense:</i></b> School Lunch Programme	(1.400)	-	-	-	-
<b><i>Non-departmental Output Expense:</i></b> Curriculum Support	3.150	-	-	-	-
<b>Total Operating</b>	-	-	-	-	-
<b>Total Capital</b>	-	-	-	-	-

- 10 **agreed** that the changes to appropriations for 2022/23 above be included in the 2022/23 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;

- 11 **agreed** that the expenses incurred under paragraph 4 above be charged against the between-Budget contingency established as part of Budget 2022.

Rachel Clarke  
Committee Secretary

---

**Present:**

Rt Hon Jacinda Ardern  
Hon Grant Robertson  
Hon Kelvin Davis  
Hon Dr Megan Woods  
Hon Chris Hipkins  
Hon Carmel Sepuloni (Chair)  
Hon Andrew Little  
Hon Poto Williams  
Hon Willie Jackson  
Hon Jan Tinetti  
Hon Dr David Clark  
Hon Dr Ayesha Verrall  
Hon Priyanca Radhakrishnan  
Hon Meka Whaitiri

**Officials present from:**

Office of the Prime Minister  
Office of the Chair  
Officials Committee for SWC