



Education report: Revised Cabinet paper – COVID-19: Additional financial support for domestic tertiary learners

To:	Hon Chris Hipkins, Minister of Education		
Date:	1 September 2021	Priority:	High
Security Level:	In Confidence	METIS No:	1270249
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Messaging seen by Communications team:	N/A	Round Robin:	No

Purpose and summary

Attached is the revised Cabinet paper *COVID-19: Additional financial support for domestic tertiary learners*. This paper is ready for lodging if you have no further feedback. It is due to be lodged by 5pm today, Wednesday 1 September, to be considered by the COVID-19 Ministers Group tomorrow, Thursday 2 September.

We have revised the Cabinet paper to respond to feedback received during Ministerial consultation. We have also agreed with the Treasury that costs associated with the continuation of Student Loan living costs can be met within existing baselines, as they are very minimal and well within Student Loan Scheme forecast variability.

Recommended actions

The Ministry of Education (the Ministry) recommends you:

- agree** to forward this report to the Minister for Social Development and Employment and the Minister of Revenue
- agree** that the Ministry release this report once final decisions have been made, with any redactions made in line with the provisions of the Official Information Act 1982.

☒ Agree ☐ Disagree

☒ Agree ☐ Disagree



Julie Keenan
Policy Director
Graduate Achievement, Vocations and Careers



Hon Chris Hipkins
Minister of Education

Background

1. The attached Cabinet paper is due to be lodged by 5pm today, Wednesday 1 September (**Annex One**). This will allow it to be considered by the COVID-19 Ministers Group tomorrow, Thursday 2 September.
2. The Cabinet paper seeks agreement to:
 - a. top up and enhance the Hardship Fund for Learners (HAFL) in tertiary education by \$20 million for the current financial year; and
 - b. give the Ministry of Social Development (MSD) the ability to continue paying student loans alongside student allowances for an extended study break during the COVID-19 outbreak.

Status of the draft Cabinet paper

Funding approach for the Student Loan living costs continuation proposal

3. We estimate that the costs associated with the proposal outlined in paragraph 2(b) above are very minimal and well within the normal variability of Student Loan Scheme forecasts.
4. We propose that these costs can be met within existing baselines. The Treasury has indicated it supports this approach.
5. We have attached clean and tracked changes versions of the finalised Cabinet paper (**Annex One**).

Next steps

6. We recommend you forward this paper to the Honourable Carmel Sepuloni and the Honourable David Parker for their information, as they hold the delegations for student allowances and student loans respectively.
7. We have provided you with a separate briefing note to support your discussion of the attached Cabinet paper at the COVID-19 Ministers Group [METIS 1270393 refers].

Communicating the changes to learners and providers

8. We will communicate the changes via agency websites as well as the regular COVID-19 tertiary education bulletin.
9. Following discussions with learner representatives and providers groups, the Tertiary Education Commission (TEC) will administer the new funding. The TEC will also update the communications and guidance on its website for tertiary education organisations (TEOs), including targeted messages to learners.
10. MSD will work with tertiary providers and the TEC to implement the continuation of Student Loan living cost payments, should the need arise.

Annexes

Annex One: Revised Cabinet paper – *COVID-19: Additional financial support for domestic tertiary learners*