



## Briefing Note: Outcome of the 2023 Provisional Rolls, Staffing and Funding Entitlements (including the Equity Index)

<b>To:</b>	Hon Chris Hipkins, Minister of Education		
<b>Cc:</b>	Hon Jan Tinetti, Associate Minister of Education		
<b>Date:</b>	14 September 2022	<b>Priority:</b>	High
<b>Security Level:</b>	In Confidence	<b>METIS No:</b>	1296055
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<b>Messaging seen by Communications team:</b>	No	<b>Round Robin:</b>	No

### Purpose of Report

This briefing provides an update on the 2023 provisional roll, staffing and funding entitlement process including the Equity Index.

### Summary

1. A total national provisional staffing entitlement of 45,118.5 full time teacher equivalents (FTTE) has been calculated for 2023. This total includes special reasons staffing support and roll adjustments following input from our regional teams.
2. In METIS 1293533, we indicated a worst-case reduction of 776.4 FTTE, based on the first draft of the 2023 provisional rolls. This has now reduced to 351.50 FTTE for 2023.
3. The 2023 provisional staffing entitlements indicate a reduction for 49% of schools and kura (2022: 44%), an increase for 37% (2022:42%), and no change for 14% (2022:14%).
4. 2022 National School Roll Projections (NSRP) are projecting a steady decrease in rolls from 2024 onwards. As advised in METIS 1286167, it is no longer practicable or affordable to maintain staffing and funding entitlements at the previous year's levels. Therefore, we have not adjusted the 2023 provisional rolls to the same extent as previous years, unless there was substantial evidence that the roll was not accurate. Instead, where conditions were met, we have supported schools and kura facing a temporary roll reduction with targeted special reasons staffing.

5. Tai Tokerau (1.7%), Auckland (1.8%) and Wellington (1.1%) regions have had the highest number of adjustments and targeted support compared to the first draft of the 2023 provisional rolls.
6. Following roll adjustments and targeted special reasons support, kura and Māori Medium Schools have seen an increase in their provisional staffing entitlement of 10.6 FTTE compared to 2022.
7. This year, the publication of the 2023 provisional rolls coincides with schools and kura receiving their 2023 Equity Index funding information. Overall, 94% (2,277) of schools will receive an increase in their funding entitlement (operations grant) in 2023 and 10% (152) will receive a reduction in their funding entitlement, compared to 2022.
8. Of those schools and kura that are receiving less equity funding in 2023, compared to 2022, 239 (10%) will not receive transition support and 152 (6%) will receive a lower amount of transition support, due to offsetting the 2023 operational adjustment within the transition calculation.

## Recommended Actions

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The Ministry of Education recommends you:

- a. **Note** the outcome of the 2023 provisional roll, staffing and funding entitlement process.  
**Noted**
- b. **Note** that there is an overall national reduction in staffing entitlement of 351.5 full time teacher equivalents (FTTE) between 2022 and 2023.  
**Noted**
- c. **Note** that publication of the 2023 provisional rolls and resourcing entitlements coincides with schools and kura receiving their Equity Index funding notifications.  
**Noted**
- d. **Note** the combined impact of the 2023 provisional roll, staffing, operational and equity funding entitlements.  
**Noted**
- e. **Agree** that this Briefing will be proactively released.

**Agree**



Helen Hurst  
**Chief Operating Officer**  
**Te Pae Aronui**



Hon Chris Hipkins  
**Minister of Education**

14 / 09 / 2022

17 / 09 / 2022

## Background

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1. The annual Education (School Staffing) Order requires the Secretary for Education to provide a provisional roll and staffing entitlement for the following year to all state and state-integrated schools and kura in September.
2. In METIS 1293533, we provided you with a report that summarised the first draft of the 2023 provisional rolls and staffing entitlements. We also advised that we expected the first draft of 2023 provisional rolls to change due to regional feedback. Lastly, we noted that, in 2023, we will support schools and kura that have experienced a temporary roll reduction due to COVID-19 with special reasons staffing when specific criteria are met.
3. This year the publication of the 2023 provisional rolls coincides with schools and kura receiving their Equity Index funding information, which will also be released in September 2022. Each school and kura will have a consolidated view of their reductions or increases to their staffing, operational and equity funding entitlements.
4. One of the most significant impacts the pandemic has had on schools and kura has been the drop in school attendance and consequently school rolls.
5. The 2023 provisional rolls have now been finalised and need to be published on or before Friday 30<sup>th</sup> September 2022. Schools have been particularly eager to get their provisional rolls as soon as possible this year, due to the volatility/uncertainty from COVID.

## Outcome of 2023 Provisional Rolls

### 2023 Provisional Roll

6. A total national provisional roll of 793,707 has been calculated for 2023. The 2023 provisional rolls indicate a reduction of 13,682 students when compared to the 2022 provisional rolls. The following table compares the 2022 and 2023 provisional rolls by year level.

Year Level	2022 Provisional Roll	2023 Provisional Roll	Difference	%
1	84,556	80,974	(3,582)	(4%)
2	62,735	58,829	(3,906)	(6%)
3	61,250	61,375	125	0%
4	61,952	60,341	(1,611)	(3%)
5	63,386	61,332	(2,054)	(3%)
6	63,006	62,741	(265)	0%
7	72,926	74,824	1,898	3%
8	66,273	62,852	(3,421)	(5%)
9	62,779	62,554	(225)	(0%)
10	61,867	61,405	(462)	(1%)
11	57,641	58,556	915	2%
12	47,658	47,829	171	0%
13	40,329	38,898	(1,431)	(4%)
14	343	459	116	34%
15	688	738	50	7%
<b>Total</b>	<b>807,389</b>	<b>793,707</b>	<b>(13,682)</b>	<b>(2%)</b>

7. There is a notable reduction of 4% in the projected number of Year 1 students when compared to the 2022 provisional rolls. The reduction may be due to parents choosing to start their children at school later.
8. Based on the 2022 National School Roll Projections (NSRP), rolls are projected to steadily decline from 2024 onwards. We expect the total national roll to decrease by 0.16% in 2024 compared to the 2023 roll, and for it to decrease a further 1.7% in 2027 compared to the 2023 roll.
9. We expect the primary school roll to decrease by 1% by 2024 and 3% by 2027, compared to 2023. Conversely the secondary school roll is expected to increase by 2% by 2024 and decrease 1% by 2027, compared to 2023.
10. As advised in METIS 1286167, while we have made several adjustments to school rolls in 2022 to minimise teacher staffing reductions during the pandemic, it is no longer practicable or affordable to maintain staffing and funding entitlements at 2022 levels.

## 2023 Provisional Staffing Entitlement

### By School Type

11. A total national provisional staffing entitlement of 45,118.5 full time teacher equivalents (FTTE) has been calculated based on the 2023 provisional rolls. This total includes special reasons staffing support and roll adjustments following input from our regional colleagues. This is an overall decrease of 351.5 FTTE compared to the provisional staffing entitlement of 45,470.0 for 2022. The following table provides a breakdown of the 2022 and 2023 provisional staffing entitlement by school type.

School type	Number of Schools	Provisional FTTE 2022	Provisional FTTE 2023	Difference
Contributing Primary	769	11,810.6	11,602.0	(208.6)
Full primary	1,029	9,839.8	9,738.6	(101.2)
Intermediate	114	2,855.7	2,810.4	(45.3)
Composite	150	2,921.7	2,927.8	6.1
Secondary	331	17,398.6	17,380.1	(18.5)
Specialist	36	643.6	659.6	16.0
<b>Total</b>	<b>2,429</b>	<b>45,470.0</b>	<b>45,118.5</b>	<b>(351.5)</b>

12. Primary and intermediate schools have the largest roll decline. This is consistent with the 2022 NSRP and is due to relatively larger birth cohorts moving from primary school into secondary schooling.
13. In 2023, 1,197 (1,057:2022) schools (49% of all schools) will see a decrease in their provisional staffing entitlement (compared to 44% in 2021). The average decrease is 1.1 FTTE (2022:1.0). The remainder of schools will either see an increase or no change in their provisional staffing entitlement, with an average increase of 1.0 FTTE (2022:1.2).
14. The national 2023 provisional staffing entitlement of 45,118.5 is 874.0 FTTE higher than the 2022 confirmed roll of 44,244 FTTE. This means that, in 2023, we are guaranteeing more staffing for schools and kura than the 2022 confirmed roll generated. A comparison of the 2023 provisional staffing entitlements to 2022 confirmed staffing entitlements by school type can be found in Annex 1.

### By Region

15. The following table provides a breakdown of the provisional staffing entitlement for 2023 and 2022 by region. All regions face a reduction in staffing entitlement for 2023 except for Whanganui.

Region	Schools	Provisional FTTE 2022	Provisional FTTE 2023	Difference	%
Tai Tokerau	148	1,941.5	1,922.7	(18.8)	(1%)
Auckland	524	14,777.9	14,678.1	(99.8)	(1%)
Waikato	274	4,284.2	4,263.1	(21.1)	(1%)
Bay of Plenty	184	3,658.0	3,600.3	(57.7)	(2%)
Hawkes Bay	171	2,468.6	2,425.3	(43.3)	(2%)
Whanganui	228	3,120.4	3,142.2	21.8	1%
Wellington	275	5,067.4	5,007.8	(59.6)	(1%)
Nelson	123	1,705.0	1,673.1	(31.9)	(2%)
Canterbury	272	5,387.6	5,378.5	(9.1)	(0%)
Otago	230	3,059.4	3,027.4	(32.)	(1%)
<b>Total</b>	<b>2,429</b>	<b>45,470.0</b>	<b>45,118.5</b>	<b>(351.5)</b>	<b>(1%)</b>

### Changes of more than 2 FTTE

16. We have identified 183 (2022:142) schools that will see a reduction of more than 2 FTTE in their staffing entitlement when compared to 2022. 72 of these schools are in Auckland, with the remainder spread across the country. We have also identified 93 schools that will see an increase in their staffing entitlement compared to 2022.

School type	Decrease of 2+ FTTE	Increase of 2+ FTTE
Contributing Primary	57	21
Full primary	31	12
Intermediate	21	8
Composite	10	10
Secondary	63	39
Specialist	1	3
<b>Total</b>	<b>183</b>	<b>93</b>

17. A list of the schools with the largest changes in FTTE allocation is provided in Annex 2.

### Entitlement Adjustments made between 18 August and 16 September 2022

18. In METIS 1293533, we indicated a worst-case reduction of 776.4 FTTE based on the first draft of the 2023 provisional rolls. This has now reduced to 351.50 FTTE for 2023. The following table shows the FTTE adjustments by region.



19. Tai Tokerau (1.7%), Auckland (1.8%) and Wellington (1.1%) regions have had the highest amount of staffing entitlement adjustment compared to the first draft of the 2023 provisional rolls.

Region	Schools	Draft Provisional FTTE 2023	Final Provisional FTTE 2023	Difference	%
Tai Tokerau	148	1,890.2	1,922.7	32.5	2%
Auckland	524	14,419.2	14,678.1	258.9	2%
Waikato	274	4,248.1	4,263.1	15.0	0%
Bay of Plenty	184	3,567.3	3,600.3	33.0	1%
Hawkes Bay	171	2,417.2	2,425.3	8.1	0%
Whanganui	228	3,142.2	3,142.2	0	0%
Wellington	275	4,950.7	5,007.8	57.1	1%
Nelson	123	1,667.4	1,673.1	5.7	0%
Canterbury	272	5,366.4	5,378.5	12.1	0%
Otago	230	3,026.0	3,027.4	1.4	0%
<b>Total</b>	<b>2,429</b>	<b>44,694.7</b>	<b>45,118.5</b>	<b>423.8</b>	<b>1%</b>

20. The difference of 423.8 FTTE is the result of:

- Providing 175.2 FTTE in special reasons staffing to 128 schools and kura who are facing a COVID-19 related temporary roll reduction in 2023. The Auckland region was provided with the highest level of special reasons staffing, with 49 schools and 71.7 FTTE approved. The table in Annex 3 provides a list of all schools that the Directors of Education requested special reasons staffing for.
- Providing 145.72 FTTE to 54 schools across Auckland and Porirua to assist them with managing the COVID-19 related delays in the Kāinga Ora housing development projects. Annex 4 provides a list of all schools that had their 2023 provisional staffing entitlement impacted by housing development support.
- In addition to the special reasons requests, we processed 63 roll adjustments providing an additional 102.88 FTTE.

#### *Māori Medium Kura*

21. The final 2023 provisional staffing entitlement for 125 Māori Medium Kura is 1,357.6 FTTE. This is an overall increase of 10.6 FTTE when compared with the provisional staffing entitlement of 1,347.0 FTTE for 2022.
22. In 2023, 53 Māori Medium Kura, or 42%, are showing an increase in their provisional staffing entitlement compared to 2022, with a total increase of 48.7 FTTE. 15 Māori Medium Kura, or 12%, have no change in their provisional staffing entitlement compared to 2022.
23. 57 Māori Medium Kura, or 46%, are showing a decrease in their provisional staffing entitlement for 2023 compared to 2022, with a total decrease of 38.1 FTTE. The following table provides a breakdown of the reductions by FTTE.

	Number of Kura	Entitlement Change
Decrease by between 1 and 2 FTTE	11	(16.5)
Decrease by up to 1 FTTE	46	(21.6)
<b>Total</b>	<b>57</b>	<b>(38.1)</b>

## 2023 Provisional Staffing Entitlements and National Education Growth Plan (NEGP) projections

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24. The NEGP plans network and infrastructure development in response to long term pressures on rolls. NEGP catchment modelling aims to match medium and long-term projections and is not sensitive to yearly and school-level data.
25. Staffing notices are created for next-year scenarios at a school level, which is the opposite end of the planning spectrum. Staffing provisions can react quickly to an upwards re-adjustment of entitlement, whereas the supply of buildings requires future planning and provides permanent solutions.
26. The two systems are designed to deliver different outcomes, so use different modelling practices. The lower staffing entitlements should not be expected to align precisely with the modelling of the NEGP, which must operate across a different timescale.
27. We have checked schools expecting a decrease in provisional staffing entitlement for 2023 and adjusted in a small number of cases where future growth is forecast (for example, in special housing development areas).

## 2023 Provisional Staffing Entitlements and Teacher Supply

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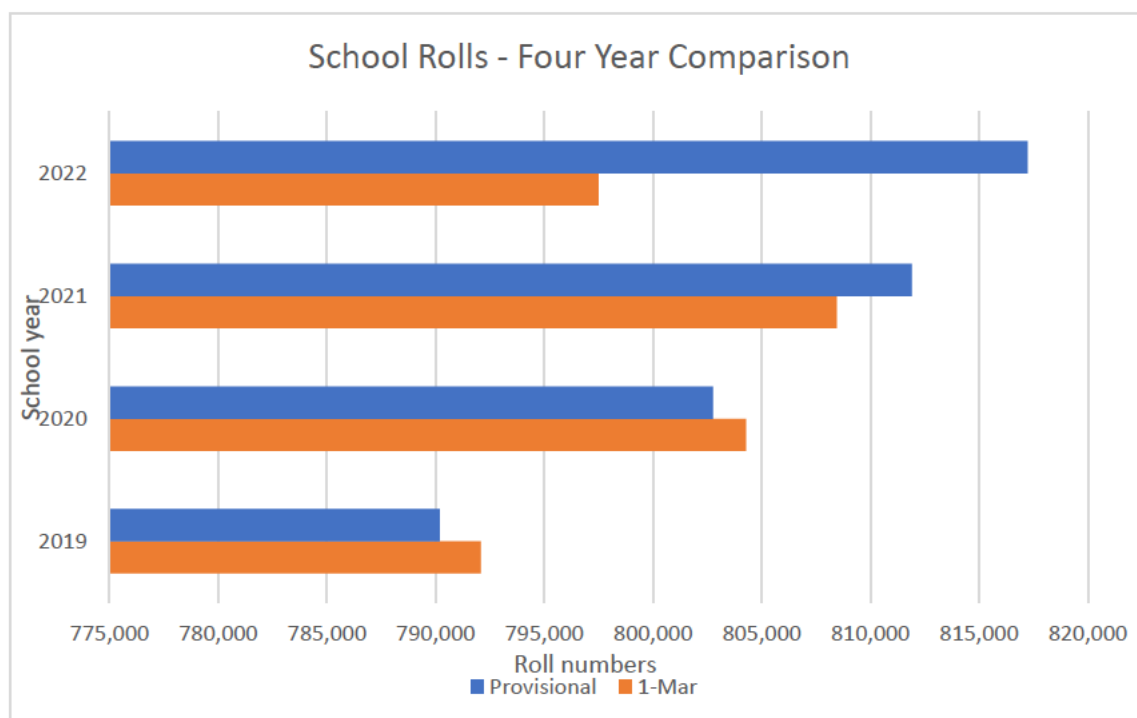
28. It is important to note that a decrease in staffing entitlement may not directly correlate to the number of teaching staff employed. In practice, some schools may not employ staff up to their full FTTE entitlement. This could be for a variety of reasons, such as not being able to recruit staff, or where the actual roll does not support additional teaching appointments.
29. When a school's confirmed (actual March) roll is lower than their provisional roll, they are deemed 'in support', as they have been provided more staffing entitlement (FTTE) than their confirmed roll generates. The following table shows that the number of schools 'in support' has increased by 18% over the past four years. Annex 5 provides a list of schools that have continuously been in support for the past three years.

Year	In Support	Not in Support	Total	% In Support
2022	1,383	1,045	2,428	56%
2021	1,165	1,258	2,423	48%
2020	1,013	1,410	2,423	42%
2019	919	1,498	2,417	38%



30. Provisional staffing entitlements provide schools and kura with a minimum guaranteed level of staffing for the following year. This staffing guaranteed limits reductions in teaching staff, which therefore reduces the number of surplus teachers.
31. The following graph compares the provisional and confirmed rolls over the past four years. In 2019 and 2020, the provisional rolls were lower than the confirmed rolls. However, for 2021 and 2022, the provisional rolls were higher than the confirmed rolls, which means that schools and kura received more staffing than their confirmed roll generated.

*Figure 1: comparison of provisional and confirmed roll numbers from 2019-2022*



32. In 2021, we guaranteed 1,212.9 FTTE in entitlement staffing to 1,165 schools as their confirmed roll was lower than their provisional roll. In 2022, this has increased to 1,725.3 FTTE across 1,383 schools. At an average cost of \$100,000 per teacher, this comprises a significant investment to assist schools manage the impact of the COVID-19 pandemic over the past two years. This is in addition to the other support provided to schools and kura during the pandemic, such as funding for devices, distance learning, international students, regional support schemes, the urgent response fund and additional relief teacher funding.

#### *Banked Staffing*

33. School boards may not be able to, and do not have to, employ up to their staffing entitlement. As a result, unused staffing is banked, and schools receive a cash reimbursement the following year. At the end of the 2021 banking staffing year, there were 1,099 schools that underused their staffing entitlement. This resulted in a reimbursement of \$25.5 million to these schools and kura.
34. Conversely, school boards can appoint above their staffing entitlement and overuse their entitlement or fund additional teachers from their operational grant. Where a school overuses its staffing entitlement, it has to repay the Ministry for the overuse. Based on the 2021 banking staffing year, there were 503 schools that ended the year having

overused their staffing entitlement. The Ministry recovered \$8.7 million from these schools and kura.

### *Surplus Staffing*

35. Where schools are advised that they have a staffing reduction for the coming year, the surplus staffing process allows school boards to apply to the Ministry for support when they have had to disestablish teaching positions. The teacher collective agreements set out school boards obligations to their staff, and where criteria are met there are several options available to those teachers whose roles have been disestablished. These include:
- Supernumerary/Redeployment – a supernumerary teacher may remain at their current school or at another school for the surplus period.
  - Retraining – a supernumerary teacher may elect to undertake a suitable course of retraining which enhances or upgrades their existing teaching qualification
  - Severance payment – a teacher may elect to receive a severance payment if the above options have been explored and none are appropriate.
  - Long service payment – similar to a severance payment but is only available to teachers who have completed over 25 years of service and is intended to assist the teacher to withdraw from the teaching service.
36. Consequently, there is often a lag between when a school's staffing entitlement reduces and when they actually lose the surplus staff member. Teachers who are surplus, but have selected a surplus staffing option, will remain employed at their (or another) school for up to 40 school weeks. Where a teacher is supernumerary, or redeployed to another school, they will be able to continue classroom teaching. However, a teacher on a course of retraining can only be expected to be available to work in the school during breaks from their chosen course of study. Teachers who elect severance payments are limited in their ability to be employed permanently in another school immediately after receiving the payment.
37. Teacher supply shortages are likely to be felt well before teachers whose roles have been disestablished become available to take up a teaching role in another school. Also, surplus teachers resulting from a reducing roll cannot be re-allocated to other schools because of the surplus staffing provisions in teacher collective agreements.
38. It is also difficult to expect that teaching staff – either those whose roles have been disestablished or those who were previously on fixed-term agreements - will take up roles in areas of need due to having to relocate, differences in subjects taught versus subject need, level taught at, and regional distribution. This limits schools' ability to address ongoing local, regional, and subject shortage areas of need.
39. In 2022, the Ministry processed and approved 47 surplus staffing applications. This is considerably lower than expected considering the impact COVID-19 has had on school rolls. Staff reductions of less than 1.0 FTE do not qualify for surplus staffing support and are managed by schools in other ways, such as not renewing fixed term contracts or through attrition.

### *Teacher vacancies*

40. We have analysed teacher vacancies advertised in the Education Gazette | Tukutuku Kōrero: For August 2022, there were a total of 1,165 new vacancies advertised. There

were 728 new advertisements for secondary schools, substantially up on 2021 (483) and pre-COVID levels (2019: 627). There were 437 new advertisements for primary schools in 2022, higher than 2021 (297), but quite similar to pre-COVID levels (2019: 509).

41. Readvertisements are much higher for primary and secondary schools in August 2022 (55 and 66 readvertisements respectively) than August 2020 (26 and 49) or pre-COVID 2019 (27 and 44).
42. A summary of advertised and readvertised vacancies by year, school type and region are attached as Annex 6.

## Options to support Schools and Kura

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43. In many cases reductions in provisional staffing entitlements will not be a surprise to schools. Most schools are familiar with the options available to them if their provisional staffing entitlement is lower than the previous year. Schools can:
  - request a provisional roll review if they believe that we have underestimated the following year's roll and can provide evidence to support this;
  - ask us for additional roll growth staffing during a school year;
  - request special reasons staffing or funding support for situations that are exceptional and outside the control or influence of their board; and
  - utilise the surplus staffing provisions set out in the teacher collective agreements.
44. Last year, we received 269 provisional roll review applications from schools and kura. This resulted in an overall increase of 266.3 FTTE. We are expecting to receive at least a similar number of requests for review this year. Schools will often have received new enrolments since we prepared the data that sits behind the provisional roll calculations, and they will have the evidence to demonstrate actual increases in their roll beyond the provisional level.

## Combined impact of 2023 Staffing, Funding and Equity Index (EQI) Entitlements

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45. This year, the publication of the 2023 provisional rolls and resourcing entitlements coincides with schools and kura receiving their Equity Index (EQI) funding information and transition funding arrangements (if applicable). Unlike staffing entitlements, operational funding is not protected, and it will increase and decrease in line with changes in the school roll throughout the year. Schools and kura may also need to manage a reduction in their 2023 staffing and funding entitlements, due to their provisional roll being lower than 2022.

46. The following table provides an overview of the combined impact of the equity, staffing and funding entitlements for 2023. Most notably, 94% (2,277) of schools will receive an overall increase in their funding entitlement (operations grant) in 2023, when compared to 2022. The remaining 152 schools (6%) will face an overall reduction in their funding entitlement in 2023. A list of the 152 schools is provided in Annex 7.

EQI Funding Component	Staffing Entitlement <sup>1</sup>	Funding Entitlement	Number of Schools	Percentage of Schools
			66	3%
			11	-
			134	6%
			153	6%
			28	1%
			9	-
			128	5%
			108	4%
			29	1%
			9	-
			941	39%
			813	33%

#### *Operational Grant Increase and EQI Transition Arrangements*

47. For the 2023 year no school or kura will receive less operational funding due to the equity and isolation index changes. We are providing transition funding to allow those schools facing a reduction in equity and isolation time to plan and adapt.
48. The operational funding component base rates and per-pupil amounts will increase by 2.75% in 2023. When calculating EQI transition payments for schools and kura, the operational grant increase has been included. This partially offsets the reduction a school or kura may face as a result of the implementation of the EQI. There are 270 schools (11%) receiving transition support due to the implementation of the Equity Index.

<sup>1</sup> Staffing entitlement green arrows include increases and no changes to staffing.

49. Including the cost adjustment reduces the number of schools that see a decrease in funding due to the impact of the transition. For some schools and kura, this cost adjustment means that they will not be eligible for transition support or receive 2.75% less transition support than they would have if this adjustment was not applied.
50. We consider that this will impact a relatively small number of schools over a short period of time. Our priority in a constrained funding environment is to direct equity-based resourcing where we consider it is most needed, in this case through the EQI
51. Of those schools and kura that are receiving less equity funding in 2023, compared to 2022:
- two hundred and thirty-nine schools (10%) will not receive transition support due the 2023 operational adjustment offset. These schools will receive \$1.9 million less in operational funding for 2023. A list of these schools can be found in Annex 8; and
  - one hundred and fifty-two schools (6%) will receive a lower amount of transition support due to the 2023 operational adjustment offset. These schools will receive \$2.6 million less in operational funding for 2023. A list of these schools can be found in Annex 9.
52. Affected schools and kura may raise concerns about the overall Equity and Isolation Indices and the implementation approach. The Ministry will manage this risk by identifying this group of schools and, if necessary, produce specific communication materials to support their transition. Our School Financial Advisors can provide schools with financial advice, if needed.

## Next Steps

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53. Schools and kura provisional roll, staffing, funding and EQI information needs to be published by Friday 30th September. We will review entitlements if a school anticipates are higher roll number than we have estimated.
54. We will incorporate the 2023 provisional roll information into the integrated Teacher Demand Supply tool.

## Proactive Release

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55. We recommend that this briefing is proactively released as per your expectation that information be released as soon as possible. Any information which may need to be withheld will be redacted in line with the provisions of the Official Information Act 1982.

## Annexes

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**Annex 1:** Comparison of the 2023 provisional staffing entitlements to 2022 confirmed staffing entitlements by, school type.

**Annex 2:** List of schools and kura with largest changes in FTTE allocation.

**Annex 3:** List of schools and kura the Directors of Education provided Special Reasons Staffing.

**Annex 4:** List of schools and kura who are being supported due to housing development projects.

**Annex 5:** List of schools and kura who have continuously been “in support” for the past three years.

**Annex 6:** A summary of advertised and re-advertised vacancies.

**Annex 7:** List of 152 schools that face an overall reduction in funding entitlement and the 37 school that will be receiving transition funding.

**Annex 8:** List of 239 schools who face an overall reduction in funding entitlement.