



Education report: Draft Cabinet paper – extending the Hardship Fund for Learners in tertiary education for 2021

To:	Hon Chris Hipkins, Minister of Education		
Date:	22 March 2021	Priority:	High
Security Level:	Budget Sensitive	METIS No:	1254587
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Messaging seen by Communications team:	No	Round Robin:	Yes

Purpose

We have attached a draft Cabinet paper seeking agreement to extend the Hardship Fund for Learners (including access to technology) in tertiary education for 2021 from within existing Vote Tertiary Education baselines.

The paper would need to be lodged by 10am Thursday 25 March for Cabinet on 29 March 2021.

Recommended actions

The Ministry of Education recommends you:

- note** that the Treasury has not yet provided comment on the draft Cabinet paper and may provide a comment for inclusion in the Cabinet paper before lodging
- agree** to consult with the Minister of Finance, the Minister of Social Development, and the associate Ministers of Education on the attached draft Cabinet paper

Agree / Disagree

- agree** to proactively release this education report within 30 days of Cabinet decisions being made with any redactions in line with the provisions of the Official Information Act 1982.

Agree / Disagree



Katrina Sutich
Group Manager Tertiary
Te Ara Kaimanawa

Hon Chris Hipkins
Minister of Education

22/03/2021

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Background

1. We have provided a draft Cabinet paper in **Annex 1**. It seeks Cabinet agreement to extend the temporary Hardship Fund for Learners (HAFL) for the 2021 calendar year, at a cost of \$10 million from within existing Vote Tertiary Education baselines.
2. Temporarily extending the HAFL will help domestic tertiary learners remain connected to their education providers and engaged in their learning if they face financial shortfalls. This will be critical if there are further COVID-19 restrictions in the first half of the year.

Further comments on the details of the proposal

Including technology access in the Hardship Fund for Learners

3. The 2020 HAFL delegation excluded TEOs from using the funding to provide access to technology because the Government had put in place the Access to Technology Fund to specifically cover this area. This fund also expired at the end of 2020.
4. We have heard from the sector, including Te Wānanga o Aotearoa (TWOA) and the University of Otago, about the need to include learners' digital needs. This digital divide amongst learners is exacerbated for Māori and Pacific communities.
5. TWOA estimates that up to 2,000 of their new learners each year could need support to access devices and internet connections. While the HAFL would not meet this level of demand it would ensure we have something in place to support technology access in tertiary study (as we have in the Equitable Digital Access for schools). These technology supports would be considered alongside other hardship needs, such as support for living costs, utilities or food for example.

The initial funding to extend the hardship fund would come from international scholarships

6. You are seeking Cabinet approval to transfer just under \$4 million dollars used for international scholarships (financial support for students to study offshore) that have been unable to run due to COVID-19 travel and study restrictions.
7. You are also seeking Cabinet authorisation for you and the Minister of Finance to change appropriations to meet the \$6 million remaining balance. This would use underspends that are not related to CRRF funding increases or Fees Free. Officials will work with you to identify these as enrolment numbers are finalised.

The Treasury has previously advised that it does not support the proposal because underspends should be returned rather than reprioritised

8. The Treasury's general position is that underutilised funding should be returned to the centre, rather than repurposed to fund other initiatives. The Treasury has indicated that it may provide a short comment in the Cabinet paper before it is lodged.

Next steps

9. We recommend you consult with the Minister of Finance, the Minister of Social Development and the Associate Ministers of Education, the Honourable Kelvin Davis and the Honourable Aupito William Sio.

10. If Ministerial consultation is complete the final Cabinet paper could be lodged on Thursday 25 March, for consideration by Cabinet on Monday 29 March.
11. If Cabinet agrees to the proposal, officials will provide you with an updated letter delegating responsibility to the TEC to administer funding for the HAFL, issued under section 409(1)(j) of the Education and Training Act 2020.
12. Based on this timeframe, the fund would likely come into effect before the end of April.

Annexes

Annex 1: Draft Cabinet paper – *COVID-19: Extending the temporary Hardship Fund for Learners in tertiary education for the 2021 calendar year*