



## Briefing Note: Budget 2021 Communications Process

<b>To:</b>	Hon. Chris Hipkins, Minister of Education		
<b>Date:</b>	23 April 2021	<b>Priority:</b>	Low
<b>Security Level:</b>	Budget Sensitive	<b>METIS No:</b>	1257772
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<b>Messaging seen by Communications team:</b>	Yes	<b>Round Robin:</b>	No

### Purpose of Report

The purpose of this paper is for you to:

**Note** the Budget 2021 Communications process, including draft materials and timeline, and provide feedback on the press releases.

**Note** that your Office need to seek approval from the Minister of Finance's Office to organise the 'lock up' on Budget Day at Mātauranga House.

### Summary

Communications for Budget 2021 include:

1. Press Releases
2. Vote Education and Vote Tertiary Education Budget Book
3. Budget Day 'Lock-up' at Mātauranga House.

We have attached six draft Press Releases in Annex 2 for you to review and provide feedback by Tuesday 27 April.



John Brooker  
**Group Manager**  
**Education System Policy**

23/04/2021

Hon Chris Hipkins  
**Minister of Education**

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## Budget 2021 Communications

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1. Communications for Budget 2021 include:
  - Press Releases
    - a. We have attached six draft Press Releases in Annex 1 for you to review and provide feedback. Please note that the Secretary for Education has not yet seen these first drafts and would like to ensure that we have the right language around the Reform of Tomorrow's Schools. These are:
      - i. Overarching announcement for Education – Building a stronger, fairer education system
      - ii. Moving towards pay parity in early learning
      - iii. School property (also included in overarching) – additional background to this press release is contained below and in annex one
      - iv. Essential property maintenance at state-integrated schools (requesting approval as a pre-announcement)
      - v. Investing in vocational training
      - vi. Investing in tertiary education.
  - Budget 2021 Vote Education and Vote Tertiary Education Book
    - a. We have attached a draft Budget Book in Annex 2 for your information. This material is still being finalised.
    - b. Once finalised, the Budget Book will be a resource for your Office as well as Ministry of Education and Agency officials.
  - Budget Day 'lock-up' at Mātauranga House
    - a. Treasury have advised there will be a social sector lock-up at the Ministry of Social Development that education officials, stakeholders and media are likely to be invited to.
    - b. If you want a separate education sector lock-up your office will need to seek approval from the Minister of Finance's Office.

## School infrastructure

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2. Cabinet has agreed to 9(2)(j) million (CapEx) and 9(2)(j) million (OpEx) for school infrastructure investment through Budget 2021.
3. We are preparing to support you to announce \$631.4 million (CapEx) and \$50 million (OpEx) on Budget Day. These figures are rounded for announcement purposes. This funding includes:
  - a. Funding the Next Phase of the National Education Growth Plan
  - b. Property Funding to build and expand schools delivering Māori Medium Education
  - c. Purchasing Land for New Schools
  - d. Meeting Cost Increases in Legacy Redevelopment Projects
  - e. Christchurch Schools Rebuild Programme
  - f. Improving the Property at State Integrated Schools (OpEx only)
4. Table One in appendix 1 provides a reconciliation of proposed announcements. Funding for some Budget 2021 initiatives has not been included in the Budget Day announcement schedule
5. We have prepared two draft press releases to be released on Budget Day. The first will provide a high-level summary of the school infrastructure investment package, and the second will announce the one-off state integrated school funding package.
6. Further information about school infrastructure is attached in appendix 1.

## Timeline of Next Steps

7. We would like your feedback on Press Releases (PRs) by **Tuesday 27 April**, so that we can have these fact checked by the Subject Matter Experts before the first draft of Press Releases are sent back to the Minister of Finance's Office by Friday 30 April.
8. The following Budget Press Release timeline was issued from the Minister of Finance's Office:

Date	What	Action
Friday April 30	First draft of PRs to be sent to MOF's office	PRs collated and shared with PMO for feedback / <b>sent to Treasury for initial fact-check</b>
Tuesday May 4	MOF's office sends PRs back to press secretaries with PMO /Tsy feedback	
Friday May 7	Press secretaries return PRs to MOF's office with changes incorporated	All PRs in MOF / PM weekend bag for review
Monday May 10	MOF and PMs comments incorporated by MOF's office	<b>PRs sent to Treasury for fact-check</b>
Tuesday May 11	Treasury returns PRs to MOF's office	PRs distributed to PMO / press secs for final feedback / Ministerial sign-off
Friday May 14	Final PRs in MOF/PMs weekend bag	
Sunday May 16	MOF's office incorporates any changes from PM/MOF	<b>PRs sent to Treasury for final fact-check and print proof</b>
Monday May 17	PRs printed by Printlink	FYI copies sent to press secs

## Proactive Release

9. We recommend this briefing note is not released at this time because the information it contains is Budget sensitive. This is consistent with section 9(2)(f)(iv) of the Official information Act 1982, which states that good reason for withholding official information exists if withholding it is necessary to maintain the constitutional convention that protects the confidentiality of advice tendered by officials.

## Appendix 1 – School Infrastructure

Table One: Reconciliation of Proposed Budget Day Announcements

Budget 21 School Infrastructure Initiatives	Funding Type	Allocation	Included in Budget Day Announcement
<b>Growth</b>		<b>(\$M)</b>	
Funding the Next Phase of the National Education Growth Plan	CapEx	266.000	Yes
	OpEx	45.191	No
Property funding to build and expand schools delivering Māori Medium Education	CapEx	77.070	Yes
	OpEx	14.165	No
Purchasing Land for New Schools	CapEx	85.000	Yes
	OpEx	14.875	No
Meeting the Operational Costs of a Growing School Property Portfolio	CapEx	-	-
	OpEx	45.000	No
<b>Condition</b>			
Meeting Cost Increases in Legacy Redevelopment Projects	CapEx	150.000	Yes
	OpEx	33.751	No
Christchurch Schools Rebuild Programme	CapEx	56.000	Yes
	OpEx	17.100	No
Improving the property at State-Integrated Schools	CapEx	-	-
	OpEx	52.800	Yes
Supporting the co-location of Marlborough Boys and Girls Colleges and the relocation of Bohally Intermediate	CapEx	6.300	No
	OpEx	1.103	No
9(2)(j)			No
			No
Depreciation Impacts of Revaluing the School Property Portfolio	CapEx	-	-
	OpEx	36.000	No
<b>Other Initiatives</b>			
Holiday's Act Remediation for School and Ministry Payroll	CapEx	-	-
	OpEx	277.500	No
Database Upgrades for School's Payroll and Holiday's Act Assessment	CapEx	-	-
	OpEx	15.000	No
<b>Total</b>	CapEx	9(2)(j)	
	OpEx		
<b>Total for Budget Day Announcement</b>	CapEx	634.070	
	OpEx	52.800	

- We have not included OpEx (with the exception of state integrated school funding) in Budget Day announcements on infrastructure, though the OpEX numbers do count towards the overall \$2 billion number in the high level press release.
- Of the OpEX funding, \$277.500 million has been allocated to Holiday's Act Remediation. At this time, that funding is still a holding allocation as the Ministry's Payroll team continue to progress the remediation.
- 9(2)(i)  
[Redacted text block]
- The remaining OpEx largely relates to depreciation and capital charge associated with other initiatives. As this does not represent funding directly to schools, we have not included it in announcements.

#### *Managing expectations when allocating further investment to existing projects*

- Several initiatives allocate funding to existing projects, such as topping up Māori Medium Property Entitlement projects and funding legacy redevelopment projects to be 'shovel ready'.
- It is important that we manage school expectations regarding projects, scope and funding, which will involve a more nuanced approach than a single Budget press release.
- Instead, specific details, including school names and individual budgets can be announced in the weeks and months following Budget Day. In the past, we have supported a roadshow series of announcements across New Zealand. We will work with your office to coordinate announcements, whether through a similar roadshow or a series of press releases on the Beehive website.
- When announcing funding for the Christchurch School Rebuild Programme, it is important to note that B21 funding represents BAU investment, and is not additional to the existing programme envelope.

## **Annexes**

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- Annex 1: Press Releases (Draft)
- Overarching announcement for Education – Building a stronger, fairer education system
  - Moving towards pay parity in early learning
  - School property (also included in overarching)
  - Essential property maintenance at state-integrated schools (requesting approval as a pre-announcement)
  - Investing in vocational training
  - Investing in tertiary education

- Annex 2: Budget 2021 Vote Education and Vote Tertiary Book (Draft)