



Education Report: Addressing the shortfall in devices for disadvantaged students

To:	Hon. Chris Hipkins, Minister of Education		
Date:	26 May 2020	Priority:	High
Security Level:	In Confidence	METIS No:	1228612
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Messaging seen by Communications team:	N/A	Round Robin:	No

Purpose

This report provides you with an update on the provision of devices to enable distance learning for disadvantaged students and accessing the additional funding that you signalled to the COVID-19 Ministerial Group would be required to meet demand [CAB-20-MIN-0130 refers].

Summary

Closing the digital device during the COVID-19 crisis response

- On 7 April 2020 the COVID-19 Ministerial Group agreed that the Ministry of Education provide packages of support to learners to enable distance learning for early learning and schooling. As part of this package, the Ministry has spent \$11.763 million on 26,000 devices. This has closed the digital divide for many disadvantaged learners but a further 70,000 devices are needed (at a cost of \$37.800 million) to reach those students who do not yet have access to a device.

Addressing the shortfall in the provision of devices

- The momentum built up during the crisis response provides a foundation to close the digital divide by addressing the shortfall in the supply of devices.
- Addressing this shortfall will support online learning in future and contribute to the broader goal of continuing the drive towards equity and excellence in education and better meeting the needs of all learners, including those from disadvantaged families. It will also mean that we are in a better position to provide distance learning should an escalation up the COVID-19 alert levels be required at any stage locally, regionally or nationally.

4. The paper to the COVID-19 Ministerial Group on 7 April 2020 estimated that additional funding of \$22.000 million was likely to be required to cover the shortfall in devices. This would have been sufficient to purchase an additional 40,000 devices. Since April, we have revised our estimate of the shortfall across all age groups based on data returns from schools and kura. The revised estimate of the shortfall is 70,000 devices at a cost of \$37.800 million.
5. Funding of \$38.800 million would provide for:
 - a. the purchase of the 70,000 devices required to meet the shortfall. Suppliers have now been sourced and 25,000 of these additional devices can be allocated in 2019/20 with the remaining 45,000 allocated in 2020/21 (\$37.800 million); and
 - b. reimbursement of schools for devices they purchased during the period 9 March to 8 April 2020 inclusive (\$1.000 million).
6. With Ministerial approval, a further \$4.440 million will be invested through an operating-capital swap between non-departmental appropriations. This opex to capex swap is to allow the purchase of all items from the first tranche.
7. Funding can be sought through the Wave 3: Resetting and revitalising the economy process. Waiting for Wave 3 will, however, cause a delay in the provision of devices to students to the end of July at the earliest. We are nearing the end of the first funded tranche of devices. While we have not made any commitments on timeframes for remaining requests to be fulfilled, we will develop communications to provide clarity and manage the expectations of those schools yet to have their demand fulfilled.

Recommended Actions

We recommend that you:

1. **note** that :

- a. on 7 April 2020 the COVID-19 Ministerial Group agreed to the Ministry of Education providing packages of support to learners for enabling distance learning for early learning and schooling for the beginning of Term 2.

Noted

- b. the Ministry has spent \$11.763 million on 26,000 devices which has closed the digital divide for many disadvantaged learners but the divide remains for others.

Noted

2. **note** that:

- a. based on data returns from schools and kura we estimate there is a shortfall of 70,000 devices which will require an additional \$37.800 million

Noted

- b. in addition to this funding for devices, \$1.000 million is required to reimburse schools for devices they purchased from 9 March to 8 April 2020.

Noted

3. **note** that funding of \$38.800 million can be sought through the Wave 3: *Resetting and revitalising the economy* budget process.

Noted

4. **agree** to seek funding through the Wave 3: *Resetting and revitalising the economy* budget process.

Agree / Disagree

5. **note** that this will cause a delay in the provision of devices to students until the end of July at the earliest.

Noted

6. **note** that, as we are nearing the end of the first funded tranche of devices, we will develop communications to schools yet to have their demand fulfilled to provide clarity and manage expectations.

Noted

7. **agree** that this briefing is not proactively released as decisions are subject to future budget processes.

Agree / Disagree



Ellen MacGregor-Reid
Deputy Secretary
Early Learning and Student Achievement
26/05/2020



Hon. Chris Hipkins
Minister Education

2 / 6 / 20

Background: Closing the digital divide during the COVID-19 crisis response

8. When early learning services, schools and kura were closed temporarily as part of Government's response to the COVID-19 pandemic, and teachers began leading learning from a distance from 15 April 2020, the digital divide and inequity for students and households that do not have access to digital connectivity was highlighted.
9. Government recognised that disruption to the education of early learners and school students can be mitigated if learners are able to access suitable teaching and learning from home. On 23 March 2020, Cabinet authorised the Minister of Finance and Minister of Education to approve the provision of immediate funding of \$36.440 million in 2019/20 and 2020/21 to ensure students could access teaching and learning online if their school was temporarily closed [CAB-MIN-20-0136 refers]. This funding was support the supply of 20,000 devices and 50,000 internet connections. The paper that contributed to these decisions also signalled the potential need for an additional \$22.000 million because of constraints on the current in-country supply of devices (both for connectivity and learning) and infrastructure work needed to connect some areas of the country. This would have been sufficient to purchase an additional 40,000 devices.
10. Subsequently, on 7 April 2020 the COVID-19 Ministerial Group agreed to the Ministry of Education providing packages of support to:
 - learners for enabling distance learning for early learning and schooling for the beginning of Term 2 (15 April 2020), which was to include distributing packs with physical and/or hard copy resources and television broadcast channels delivering educational content.
 - help schools and kura provide online teaching and learning, including multiple delivery channels.
11. These supports were estimated to cost \$51.340 million in 2019/20.

The digital divide has been narrowed

12. To date the Ministry has spent \$11.763 million on 26,000 devices. This has enabled Chromebooks to be provided to all year 8 to 13 students and Windows laptops to all year 10 to 13 students. Provision of devices is based on supply availability, school demand and preference.

There remains a shortfall that will continue to impact on disadvantaged students

13. Evidence indicates that in the right conditions children and young people achieve better when they have access to a device and the internet at home.¹ The pandemic highlighted the inequitable digital access for many learners, and for some schools and kura. The sector's response during COVID-19 has closed that gap for many learners but the divide remains for many others and will continue to negatively affect them as we move into the recovery.
14. The momentum built up during the crisis response provides a foundation to close the digital divide further, creating a 'level playing field' for all learners and schools, building resilience into the system to respond to any future changes in the pandemic response level, and establishing robust foundational digital infrastructure and services.

¹ Starkey, L., et al., *Equitable digital access to the Internet beyond school: A literature review*. July 2018, Victoria University of Wellington

15. While our immediate priority has been to enable access to devices for distance learning during the COVID-19 response, students also need a device for learning in the classroom. For many New Zealand schools, online learning is an integral part of curriculum delivery, but a lack of access to devices is a significant barrier to learning in some schools. Continuing to close the digital divide for more learners will, therefore, contribute to the broader goal of continuing the drive towards equity and excellence in education and better meeting the needs of all learners, including those from disadvantaged families. Without deliberate steps to continue the momentum achieved during the crisis response and address the short fall in supply of devices to students from disadvantaged backgrounds, some learners are likely to be continue to be educationally disadvantaged during the recovery.
16. Since reporting to the COVID-19 Ministerial Group on 7 April 2020, our estimate of the shortfall across all age groups based on data returns from schools and kura has been revised to 70,000 devices. It would cost \$37.800 million to address this shortfall.
17. An additional \$38.800 million would fund:
 - a. the purchase of these 70,000 additional devices. Suppliers have now been sourced and 25,000 of the 70,000 shortfall can be allocated in 2019/20 with the remaining 50,000 devices allocated in 2020/21(\$37.800 million)
 - b. reimbursement of schools for devices they purchased during the period 9 March to 8 April 2020 inclusive (\$1.000 million)
18. With Treasury agreement and Ministerial approval, a further \$4.440 million will be invested through an operating-capital swap between non-departmental appropriations. Originally it was expected that some devices might have to be leased. However, sufficient supplies have now been identified so the funding should all be capital in nature. This opex to capex swap would allow the original programme approved in the initial emergency funding [CAB-MIN-20-0136 refers] to be completed from the first tranche.

The shortfall can be funded through the Wave 3 budget process

19. Funding for the shortfall can be sought through the Wave 3: *Resetting and revitalising the economy* budget process. This will the proposal to be considered alongside other initiatives seeking funding through Wave 3 and the guidance issued by Treasury indicates that we should seek the additional funding through the Wave 3 process.
20. This will, however, cause a delay in the provision of devices to students. We have largely committed the original budget. We would not, therefore, be able to respond to the needs of some disadvantaged students if the pandemic response levels were to move down to levels to 3 or 4 again or met the shortfall until after funding is secured through Wave 3. This will mean that some students will not receive devices until the end of July at the very earliest.
21. We are nearing the end of the first funded tranche of devices. Given the need to seek funding through Wave 3 and the consequent delay in the provision of additional devices, we will develop communications to schools yet to have their demand fulfilled to provide them with clarity and manage expectations.

Proactive Release

22. We recommend that this briefing is not proactively released, as decisions are subject to future budget processes.