

## Education Report: Distance learning support for Auckland and further possible COVID-19 disruptions

<b>To:</b>	Hon Chris Hipkins, Minister of Education Hon Grant Robertson, Minister of Finance		
<b>Date:</b>	14 August 2020	<b>Priority:</b>	High
<b>Security Level:</b>	In Confidence	<b>METIS No:</b>	1237093
<b>Drafter:</b>	Alex White	<b>DDI:</b>	s 9(2)(a) OIA
<b>Key Contact:</b>	Ellen MacGregor-Reid	<b>DDI:</b>	
<b>Messaging seen by Communications team:</b>	No	<b>Round Robin:</b>	Yes

### Purpose of Report

- The purpose of this paper is to seek your joint approval to progress key activities to ensure we can support the Auckland region with distance learning during the current Alert Level 3 and ensure we are ready for any further possible COVID-19 related disruptions to teaching and learning.

### Summary

- The Ministry's distance learning package is designed to support and empower parents, whānau and caregivers to support their children's learning from home, in partnership with kaiako and teachers, in response to COVID-19. It includes the provision of hard packs, television broadcasting, and access to online learning and teaching, as well as devices and connectivity.
- On 23 March 2020, Cabinet authorised you to approve the provision of immediate funding of \$36.440 million in 2019/20 and 2020/21 to ensure students can access teaching and learning online if their school is temporarily closed [CAB-MIN-20-0136 refers]. On 7 April 2020, a further \$51.340 million was authorised by the COVID-19 Ministerial Group to ensure "reach and equity".
- When costings for the distance learning package were provided through the relevant Budget bid, these were based on the ability to deliver the work programmes over the balance of the school year, rather than the financial year. The majority of funding has subsequently been allocated in 2019/20, rather than across financial years.
- We seek your agreement to an expense transfer to ensure that we are able to effectively respond to the current Alert Level 3 in Auckland and be ready for any further possible COVID-19 related disruptions. The funding is required to progress work on:
  - business continuity activities for hard packs;
  - delivery of 'pop-up' television channels; and
  - expanding our provision of devices to service unmet demand for priority learners in Years 9-13+.

- In addition, there is demand from the agencies that are responsible for managed isolation and border quarantine facilities to provide hard packs and early learning kits for young people, so that their learning is not further disrupted by the compulsory two-week isolation requirement. This is a new activity which was not in scope of the original emergency funding allocation. We have investigated developing hard packs for early learning and schooling that are more appropriate for a two-week isolation period. Development of these hard packs will cost \$666,000 for 14,000 schooling hard packs and 6,000 early learning kits.
- An in-principle transfer of up to \$10.502 million was approved by Joint Ministers in June to carry forward any of the overall allocation of \$87.780 million uncommitted at 30 June, in order to facilitate key COVID-19 related activities in 2020/21.<sup>1</sup>
- Your joint confirmation of the associated expense transfer is sought because this funding is subject to confirmation of in-principle transfers at the October Baseline Update (OBU), and because the Minister of Finance and Treasury have been clear that any underspent emergency funding be returned to the centre unless otherwise agreed.
- Your joint approval is also sought to seek Cabinet's agreement, via an oral item on Monday, 17 August, to reprioritise \$6.9 million of the \$10.502 million intended for the development of a virtual learning environment as previously signalled [CAB-MIN-20-0136 refers] towards the expanded provision of devices (laptops, Chromebooks and iPads). This would facilitate the Ministry to expand provision of devices (laptops, Chromebooks and iPads) to meet unmet demand for either all learners in-need at Years 9-13+ or learners in-need at Years 9-13+ in Auckland only.
- There are some associated risks with pausing development on the virtual learning environment, particularly that, as the Ministry's provision of access to ClassroomNZ2020 to schools and kura as an interim measure expires in February 2021.
- The Ministry has now secured enough devices (3,612) to meet the remaining known demand for Auckland Years 9-13+ students, and based on stock currently available across the country, we could meet any urgent additional demand up to a total (including Auckland) of 6,700 devices for a cost of \$4.3 million, which is insufficient to meet all of Aotearoa New Zealand's Years 9-13+ known demand. The balance of 1,400 devices can be sourced from overseas with an expected delivery time of six weeks at an additional cost of \$1.2 million.
- The decision to take Auckland back to Alert Level 3 until 26 August (with a review on 21 August) and the potential impact on a significant portion of students has added to the urgency of this work and informed the prioritisation options presented.

## Recommended Actions

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The Ministry of Education recommends you:

- a) **Note** that, of the \$87.780 million agreed by Cabinet to "enable distance learning for early learning and schooling" [CAB-MIN-20-0136 and the 7 April meeting of the COVID-19 Ministerial Group refer], \$10.502 million was not committed in 2019/20;

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<sup>1</sup> Improved Quality Teaching and Learning multi-category appropriation: **\$9.502 million** in departmental output expense (Support and Resources for Teachers); a further **\$1 million** in non-departmental output expense (Curriculum Support).

Minister of Education	<b>Noted</b>
Minister of Finance	<b>Noted</b>

- b) **Note** the expectation that any underspent emergency COVID-19 funding be returned to the centre unless otherwise agreed;

Minister of Education	<b>Noted</b>
Minister of Finance	<b>Noted</b>

- c) **Note** that further investment is required to ensure the Ministry can effectively support Auckland with distance learning during the current Alert Level 3 and be ready for possible further COVID-19 related disruptions to early learning services and schools;

Minister of Education	<b>Noted</b>
Minister of Finance	<b>Noted</b>

- d) **Note** that joint Ministers have previously approved an in-principle expense transfer of up to \$10.502 million from 2019/20 to 2020/21 to facilitate key COVID-19 related distance learning activities in 2020/21;

Minister of Education	<b>Noted</b>
Minister of Finance	<b>Noted</b>

- e) **Note** that we need to move key activities forward before in-principle transfers are confirmed at the October Baseline Update (OBU);

Minister of Education	<b>Noted</b>
Minister of Finance	<b>Noted</b>

- f) **Note**, accordingly, that early confirmation of the full amount of the available expense transfer is required to avoid risk of unappropriated expenditure;

Minister of Education	<b>Noted</b>
Minister of Finance	<b>Noted</b>

- g) **Agree** an expense transfer of \$10.502 million from 2019/20 to 2020/21;

Minister of Education	<b>Agree</b>	Disagree
Minister of Finance	<b>Agree</b>	Disagree

- h) **Approve** the following changes to appropriations to provide for decision in recommendation (g) above, with no impact on the operating balance and/or net core Crown debt across the forecast period;

	\$m – increase/(decrease)				
Vote Education Minister of Education	2019/20	2020/21	2021/22	2022/23	2023/24 & Outyears
<b>Multi-Category Expenses and Capital Expenditure:</b>					
Improved Quality Teaching and Learning MCA					
<b>Departmental Output Expense:</b>					
Support and Resources for Teachers (funded by revenue Crown)	-	9.502	-	-	-
<b>Non-departmental Output Expense:</b>					
Curriculum Support		1.000			
<b>Operating</b>	-	<b>10.502</b>	-	-	-
<b>Capital</b>	-	-	-	-	-

Minister of Education Approved **Yes** / No

Minister of Finance Approved **Yes** / No

- i) **Agree** proposed changes to appropriations for 2020/21 in recommendation (h) above be included in the 2020/21 Supplementary Estimates and that in the interim, increases by met from the Imprest Supply;

Minister of Education **Agree** / Disagree

Minister of Finance **Agree** / Disagree

- j) **Agree** the Ministry immediately progress remaining business continuity activities for hard packs from unspent emergency distance learning funding in departmental output expense Improved Quality Teaching and Learning MCA: Support and Resources for Teachers at a cost of \$1.436 million;

Minister of Education **Agree** / Disagree

Minister of Finance **Agree** / Disagree

- k) **Agree** the Ministry immediately progress work on the 'pop-up' television channels from unspent emergency distance learning funding in non-departmental output expense Improved Quality Teaching and Learning MCA: Curriculum Support at a cost of \$1.500 million (with the balance from departmental output expense Support for Resources and Teachers);

Minister of Education **Agree** / Disagree

Minister of Finance **Agree** / Disagree

- l) **Note** that there is also demand for hard packs for use by children and young people in compulsory two-week managed isolation or quarantine to ensure that their learning is not further disrupted, and that this is a new activity which was not in-scope of the

original emergency allocation of ensuring students can access teaching and learning online if their school is temporarily closed;

Minister of Education **Noted**

Minister of Finance **Noted**

- m) **Agree** to immediately progress the development of hard packs for learners in managed isolation or quarantine with unspent emergency distance learning funding in departmental output expense Improved Quality Teaching and Learning MCA: Support and Resources for Teachers at a cost of \$666,000 in 2020/21;

Minister of Education **Agree / Disagree**

Minister of Finance **Agree / Disagree**

- n) **Note** that if border quarantine arrangements continue for an extended period, demand for quarantine hard packs may exceed this number of packs and developing further quarantine packs may require new funding to be sought from Cabinet;

Minister of Education **Noted**

Minister of Finance **Noted**

- o) **Note** that, while the Ministry has supported a significant number of students through provision of devices with the original emergency funding allocation, the remaining unmet demand expressed by schools and kura is significant, at around 72,500 devices;

Minister of Education **Noted**

Minister of Finance **Noted**

- p) **Agree** the Ministry do not progress the development of a virtual learning environment as previously signalled [CAB-MIN-20-0136 refers], and instead reprioritise associated \$6.9 million of unspent funding to expand provision of devices to meet some residual unmet demand for priority learners in Years 9-13+ (refer recommendation (r));

Minister of Education **Agree / Disagree**

Minister of Finance **Agree / Disagree**



- q) **Note** that, if you agree to pause development of a virtual learning environment and reprioritise unspent funding towards expanding provision of devices to meet some residual unmet demand for priority learners (refer recommendation (p)), that a fiscally neutral adjustment is required to give effect to this change from Departmental Output Expense: Support and Resources for Teachers to Non-departmental Capital Expenditure: Schools Furniture and Equipment;

	\$m – increase/(decrease)				
<b>Vote Education</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24 &amp; Outyears</b>
<b>Minister of Education</b>					
<b>Multi-Category Expenses and Capital Expenditure:</b>					
Improved Quality Teaching and Learning MCA					
<b>Departmental Output Expense:</b>					
Support and Resources for Teachers	-	(6.900)	-	-	-
<b>Non-departmental Capital Expenditure</b>					
Schools Furniture and Equipment	-	6.900	-	-	-
<b>Operating</b>	-	(6.900)	-	-	-
<b>Capital</b>	-	6.900	-	-	-

Minister of Education

**Noted**

Minister of Finance

**Noted**

- r) **Agree** one of the following prioritisation approaches: EITHER

- i. Prioritise supply of devices to immediately service unmet demand across the Auckland education region for Years 9-13+, In response to ongoing lockdown conditions (3,612 learners at a cost of \$3.195 million); OR

Minister of Education

Agree / **Disagree**

Minister of Finance

Agree / Disagree

- ii. Prioritise supply to service unmet demand for Years 9-13+ across all education regions, with immediate priority on meeting unmet demand across the Auckland education region (8,100 learners at a cost of \$6.5 million);

Minister of Education

**Agree** / Disagree

Minister of Finance

Agree / Disagree

- s) **Note** that CO (18) 2 confirms that joint Ministers cannot authorise expense transfers and fiscally neutral adjustments simultaneously and that, if you agree to pause development of a virtual learning environment and reprioritise unspent funding towards expanding provision of devices to meet some residual unmet demand for priority learners (refer recommendation (p)), Cabinet approval is required;

Minister of Education **Noted**

Minister of Finance **Noted**

- t) **Agree** to deliver an oral item to Cabinet on Monday, 17 August seeking approval of a fiscally neutral adjustment for up to \$6.9 million to appropriations to give effect to recommendation (p), with a corresponding impact on the operating balance and net core Crown debt;

Minister of Education **Agree** Disagree

Minister of Finance **Agree** Disagree

- u) **Note** risks associated with pausing development of the virtual learning environment and that the availability of ClassroomNZ2020 until February 2021 partly mitigates this;

Minister of Education **Noted**

Minister of Finance **Noted**

- v) **Note** that the Ministry has already committed to some costs associated with the virtual learning environment in 2020/21;

Minister of Education **Noted**

Minister of Finance **Noted**

- w) **Note** the risks associated with primary level learners when prioritising device provision to Years 9-13+ only (see paragraph 41);

Minister of Education **Noted**

Minister of Finance **Noted**

- x) **Note** that significant effort has been made to reprioritise within available Ministry baseline funding and that, without your approval, insufficient resources are available to meet these pressures;

Minister of Education **Noted**

Minister of Finance **Noted**

y) **Agree** to proactively release this report with any necessary redactions.

**Minister of Education**

**Agree** Disagree

**Minister of Finance**

**Agree / Disagree**



Ellen MacGregor-Reid  
**Deputy Secretary**  
**Early Learning and Student Achievement**

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Hon Chris Hipkins  
**Minister of Education**

15/8/2020

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Hon Grant Robertson  
**Minister of Finance**

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## Background

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1. On 23 March 2020, Cabinet authorised the Minister of Finance and Minister of Education to approve the provision of \$36.440 million in 2019/20 and 2020/21 to ensure students can access teaching and learning online if their school is temporarily closed [CAB-MIN-20-0136 refers]. On 7 April 2020, a further \$51.340 million was authorised by the COVID-19 Ministerial Group to ensure "reach and equity". Of the overall allocation of \$87.780 million, \$10.502 million was not committed in 2019/20 [METIS 1234656 refers].
2. Funding was allocated to minimise disruption to the education of early learners and school students by improving learners' access to suitable teaching and learning from home.
3. For many schools, kura and early learning services, the shift to online teaching and learning was significant. When the emergency started, many signalled that they were not ready or that they weren't sure that they were ready. The Ministry responded quickly to provide a comprehensive distance learning package to respond to the diverse needs of New Zealand learners and their whānau.
4. The Ministry's distance learning package included delivery of hard packs, television broadcasts, access to online learning and teaching, as well as devices and connectivity. It was designed to support and empower parents, whānau and caregivers to support their children's learning from home, in partnership with kaiako and teachers.<sup>2</sup>

### Ensuring our response is sustainable

5. While Aotearoa New Zealand was at COVID Alert Level 1 for an extended period of time and most learners returned to schools, kura and early learning settings, our support for distance learning needs to recognise the ongoing changeability and uncertainty caused by COVID-19.
6. This need has been made evident by the recent Government announcement of ongoing lockdown conditions across the Auckland region. Our education response needs to account for this immediate disruption to learning.
7. However, ongoing disruptions are likely to continue to affect different regions as well as impact many overseas jurisdictions (affecting many New Zealanders who remain abroad) and it is critical that we continue to prepare to support learners, whānau and education workforce through ongoing disruption to teaching and learning as well as meet the immediate needs of learners returning to New Zealand and experiencing managed isolation or quarantine.
8. We recommend two key decisions:
  - a. Confirm your joint early agreement to an expense transfer of up to \$10.502 million which was approved by Joint Ministers in June to carry forward any of the overall allocation of \$87.780 million uncommitted at 30 June – this will facilitate business continuity work for hard packs, live and on-demand broadcasts and the development of a virtual learning environment; and

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<sup>2</sup> Note that the \$87 million 'distance learning package' targeted learners in schools and kura (Years 1-13) as well as early learning services. Support for the tertiary sector should be considered a separate response.

- b. Confirm your joint agreement to seek Cabinet approval to a fiscally neutral adjustment (refer recommendation (p)) of \$6.9 million to expand our provision of devices to some/all priority learners in Years 9-13+.
9. Robust business continuity planning has been done by the Ministry and your joint approval is sought to ensure that we have the resources in-place to support teaching and learning immediately as well as be ready for possible future disruption.

*Hard packs: business continuity planning - \$1.436 million*

10. Not all learners were able to access online learning immediately and online options were not available in all circumstances (particularly for younger children). Hard packs (packs with physical and/or hard copy resources) were a critical means to ensure that no learner was left without access to education during the pandemic. As at 7 July, a total of 280,420 packs had been dispatched.
11. We already have a good stock of hard packs with new content, ensuring we are largely prepared for any possible future disruption to teaching and learning as a result of COVID-19.<sup>3</sup> We expect to mobilise these through the Ministry's regional offices in the event of future school or early learning service closure, including larger scale scenarios where clusters of schools and services may be closed. We will work with schools, kura and services to decide on the appropriate distribution model depending on the scenario.
12. While this existing stock provides critical contingency for any possible COVID-19 related future school or service closures, we have also identified a need to develop a further 6,000 Year 9 and 10 packs (at a cost of \$70,000) and to retain a further \$992,000 to fund the distribution of existing stock in the event we activate these packs.
13. Further, in order to prepare sufficient contingency hard pack stock for early learning, we have already incurred costs of \$374,000 in 2020/21. This related to the limited stock available from suppliers.

*Live and on-demand broadcasting 'pop-up' channels - \$1.5 million*

14. The Ministry also provided distance learning opportunities across live and on-demand television services. Home Learning TV | Papa Kāinga TV on TVNZ and Mauri Reo, Mauri Ora on Te Reo Channel were launched on 15 April 2020. Respectively, these provided teacher-led programming for 2-to 15-year-olds and 0-18 year olds respectively (as well as their whānau). Mauri Reo, Mauri Ora targeted tamariki and rangatahi learning in kura Māori and their whānau, and was available to support all learners of te reo Māori.
15. The Home Learning TV | Papa Kāinga TV preparedness plan is based on a combination of new and existing content for up to six weeks duration from early learning through to Year 8 (i.e. up to curriculum level 4) - ages 2 to 12. We will not be developing new programming for Years 9 and above due to the low numbers of ākonga in this age group viewing the content. Programming has been developed around relevant curriculum themes (e.g. belonging, careers, construction, identities, Matariki,

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<sup>3</sup> 58,000 early learning packs, including 8,700 te reo Māori packs for kōhungahunga learning in te reo Māori in puna reo and kōhanga reo; 100,000 packs for schooling Years 1-8; with 35,000 te reo Māori packs for all reo Māori learners in Years 1-10. In accordance with our national student numbers we have 14,100 for Years 1-4, 16,000 packs for Years 5-8 and 4,900 packs available for Years 9-10. Due to the breadth of possible NCEA resources (220+), we have a 'print on-demand' model for Years 11-13 for any future COVID-19 related disruption.

NZ history, social justice) and individual segments will complement the whole week's programming.

16. The Mauri Reo, Mauri Ora channel will use a mixture of existing content and we will create new material for broadcasting up to six weeks. The content will support 0 – 12 year olds learning te reo Māori and learning through te reo Māori and will be broadcast from 9-1pm each day. The programming will reflect specific themes of interest aligning to key learning areas of the curriculum. While we will not develop new broadcasting materials for 13 – 18 year olds we will provide access to appropriate learning materials that they can access through online environments.
17. The development process to date has made available a bank of educational programming for English-medium that can be used 'On-Demand' on an ongoing basis. All Home Learning TV | Papa Kāinga TV lessons broadcast during COVID-19 Levels 1 to 4 are available on TVNZ OnDemand until the end of the year, and lesson plans are now available on the Learning from Home website. Mauri Reo, Mauri Ora content broadcast during Levels 1 to 4 is also available to view anytime at Māori Television OnDemand with support materials available on Kauwhata Reo.

*Managed isolation and quarantine hard packs: \$666,000*

18. In addition to our ongoing preparedness activities within the scope of the funding allocated towards emergency COVID-19 response, we are experiencing demand from agencies managing border quarantine facilities to provide hard packs and early learning kits for young people, so that their learning is not further disrupted by the compulsory two-week isolation requirement.
19. We anticipate that the demand for educational resources will increase, as the number of families in quarantine and isolation facilities continues to grow. We have produced guidance for parents in isolation about the other resources we have available to support them (that are not in the hard packs), such as the Learning from Home website and Home Learning TV and, for those learning te reo Māori resources will be made available on Ki te Ao Marama and Mauri Reo, Mauri Ora to guide parents and whānau through this situation. The guidance also explains the process for enrolling their children into school and early learning, once they have left the managed isolation or quarantine facility.
20. To date, the Ministry has dispatched 2,255 packs across Years 1-10, and 123 early learning kits to regional offices. These offices have established processes for the distribution of hard packs to managed isolation and quarantine facilities. They have processes to safely and efficiently distribute hard packs to these families via the facilities directly or working with the District Health Board who are distributing the packs on their behalf. We have used stock we had in storage for this.
21. These packs should be considered as discrete from those hard packs described above which are designed to last for a month or more and are an important part of being ready for the potential of future lock-downs. For this reason, we do not recommend using existing stock for children in two-week managed isolation or managed quarantine as this would leave us short in the event of a national lockdown or isolation event.
22. Instead, we have investigated a hard pack that is more appropriate to support learning for young people in English Medium, in two-week isolation. These would be more streamlined than the existing hard packs, and would be tailored to cater for returning children to provide learning materials specific for their stay in managed isolation. Approximate costings for the two-week packs have been identified:

- The cost for the schooling packs would be approximately \$399,000 for 14,000 packs (\$28.50 per child);<sup>4</sup> and
- The early learning packs would cost approximately \$267,000 for 6,000 kits (\$44.50 per child).

#### *Virtual Learning Environment - \$6.9 million*

23. Emergency funding allowed us to make online learning content available to schools via ClassroomNZ2020. This is designed to help schools who needed the most support deal with the immediate impacts of lock-down. The solution is limited to providing access to existing packaged content through to February 2021 and is separate from other learning and administrative systems used by schools.
24. Within the immediate funding provided to support an emergency response to support distance learning [CAB-MIN-20-0136 refers], funding was also provided to create a virtual learning environment which teachers can use to deliver their local curriculum content.
25. Your joint agreement is now sought to pause work on the virtual learning environment and reprioritise the unspent \$6.9 million towards expanding the provision of devices to meet residual unmet demand (refer recommendation (9)). Note a particular associated risk that if COVID-19 related disruptions continue beyond the school year: as our provision of access to ClassroomNZ2020 to schools and kura expires in February 2021. Depending on your joint decision about the delivery model (refer recommendation (r)), any residual funding from the fiscally neutral adjustment could be reprioritised towards extending our provision of ClassroomNZ2020.

#### **Expanding provision of devices**

26. While the Ministry has supported a significant number of students through provision of devices, the remaining unmet demand expressed by schools and kura is significant, at around 72,500 devices.
27. On 7 April, you signalled to the COVID-19 Ministerial Group the need for further funding of \$22.8 million for additional connectivity and devices. This was intended to fund provision for learners the Ministry could not reach before 30 June 2020. Based on the advice of The Treasury (because this investment fell outside the planned initial lockdown period of four weeks), the Ministry did not request contingency funding through COVID-19 emergency provision but indicated we would seek this funding separately to ensure the sustainability of our response.
28. Following this, the Ministry submitted funding requests as cost pressures through 'Wave 3' of the COVID-19 Response and Recovery Fund (CRRF) Budget process. These were: (a) Maintaining COVID-19 Student Internet Access; and (b) Completing COVID-19 Devices Rollout for Equitable Access. These were not supported by The Treasury and received no funding from the CRRF.

<sup>4</sup> You have previously been provided with an estimate of \$500,000 for the schooling packs, but we have been able to reduce the cost by utilising some un-used stationery items from the tranche 1 packs.

29. We now have a better idea of the likely costs for meeting all device demand as expressed by schools and kura. This is as follows:

Device demand across year groups		
Years	Devices required	Cost (\$m)
9-13+	8,100	5.5
7-8	10,100	4.5
1-6	54,300	28.0
<b>Total</b>	<b>72,500</b>	<b>38.0</b>

30. Your joint agreement is sought to progress an oral item to Cabinet seeking approval of a fiscally neutral adjustment to appropriations to give effect to recommendation (o), to expand provision of devices (laptops, Chromebooks and iPads) to meet residual unmet demand in Years 9-13+ across Aotearoa New Zealand.
31. Your joint agreement is also sought to the scope and prioritisation of this expansion. Recommended options are as follows - refer recommendation (r):
- a. Prioritise supply of devices to immediately service unmet demand across the Auckland education region for Years 9-13+, in response to ongoing lockdown conditions (3,612 learners at a cost of \$3.195 million);
  - b. Prioritise supply to service unmet demand for Years 9-13+ across all education regions, with immediate priority on meeting unmet demand across the Auckland education region (8,100 learners at a cost of \$6.5 million);
32. Note that these costings include reimbursement costs of \$1 million for schools for devices they purchased during the period 9 March to 8 April 2020 inclusive. This will support state and state-integrated schools who have incurred costs associated with proactively purchasing devices for distance learning. This funding will be provided as a one-off grant to reimburse the costs that a school has incurred.
33. Note that demand has surged for fit-for-education devices and limited available supply is a high risk to the successful servicing of unmet demand across the nation in a timely manner. Delays will affect access to existing supply.

## Financial Implications

34. An in-principle transfer request for distance learning initiatives of up to \$10.502 million was agreed by joint Ministers in June. In-principle transfers are subject to confirmation at OBU. Your early confirmation of the full amount of the available expense transfer is required to avoid risk of unappropriated expenditure.
35. Your joint agreement is also sought to progress on oral item to Cabinet to secure agreement to a fiscally neutral adjustment of \$6.9 million which will facilitate the expansion of the Ministry's provision of devices to learners in Years 9-13+.

## Risks

36. The risk of taking no action is that our capacity to respond to the current Auckland Alert Level 3 will be reduced and our capacity to provide a swift and agile response to future COVID-19 related disruption will be reduced. Uncertainty around available funding will



prevent us from moving forward with these key activities until in-principle transfers are confirmed at OBU. This will create a lag in our response and require additional investment from Cabinet if significant disruption occurs in the interim.

37. In the event that the relevant in-principle transfer is not approved at OBU, there is significant risk to the Ministry baseline. Significant effort has been made to reprioritise within available Ministry baseline funding and, without your approval to progress this work, we are not resourced to meet these pressures. As we do not have the capacity to move this forward without additional investment, it is likely that further emergency funding would be required with Cabinet approval and this is likely to delay our provision of support.
38. There is a residual risk that the sum of all funding spent to-date, ongoing Ministry baseline funded activities and further funding (subject to your approval) may still not enable us to sufficiently respond to a series of larger scale closures. In this scenario, it is likely that additional investment would be required.
39. Reprioritising funding of \$6.9 million from the development of VLE towards expanded provision of devices creates the following risks (note that these risks are partially mitigated in the near-term as we have ClassroomNZ2020 available until February 2021):
  - As our provision of access to ClassroomNZ2020 to schools and kura expires in February 2021, if a VLE is not made available, after this date they will need to fund and set-up their own options for digital online learning;
  - Loss of alignment and synergy with wider Te Rito rollout; and
  - If we restart VLE work at a later date, we expect significant loss of efficiency and that the overall development will be more costly.
40. Demand has surged for fit-for-education devices and limited available supply is a high risk to the successful servicing of unmet demand across the nation in a timely manner and delays will affect access to existing supply.
41. As our recommended approach to the expansion of device provision prioritises Years 9-13+ exclusively, primary students are likely to be less prepared for disruption to learning during extended or repeated lockdowns. There are also likely to be flow-on costs associated with increased demand for hard packs and other distance learning options in primary settings.
42. If border quarantine arrangements continue for an extended period, demand for quarantine hard packs may exceed the number of packs we can develop within the funding envelope of \$660,000. This means developing further quarantine packs to support more children may also require new funding to be sought from Cabinet.

#### Proactive Release

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43. 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 done so in line with the provisions of the Official Information Act 1982.