



## Education Report: Independent Advice on Government Priority Areas appropriation – Request for transfer

<b>To:</b>	Hon Chris Hipkins, Minister of Education		
<b>Date:</b>	11 November 2020	<b>Priority:</b>	Medium
<b>Security Level:</b>	In Confidence	<b>METIS No:</b>	1244155
<b>Drafter:</b>	Eleanor McGeachie	<b>DDI:</b>	463 8627
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<b>Messaging seen by Communications team:</b>	No	<b>Round Robin:</b>	No

### Purpose

This report seeks your agreement to repurpose the whole \$500,000 of underspend in the Independent Advice on Government Priority Areas appropriation to cover a drop in the Policy Advice component of the Ministry's policy appropriation to maintain policy delivery.

### Summary

1. There is currently an underspend of \$500,000 in the non-Departmental Independent Advice on Government Priority Areas appropriation for the 2020/21 financial year.
2. The Departmental Policy Advice portion of the Ministry's multi-category appropriation dropped by \$800,000 from the 2019/20 financial year to the 2020/21 financial year. The Ministry of Education recommends that the \$500,000 underspend be repurposed for the remainder of 2020/21. This is to ensure the Ministry can maintain a similar level of policy advice delivery as in previous years.

### Recommended Actions

The Ministry of Education recommends that you:

- a. **note** that the Ministry's Departmental Policy Advice category is \$800,000 less than in the previous financial year
- b. **note** that we are projecting an underspend of the \$500,000 currently in the non-Departmental Independent Advice on Government Priority Areas appropriation

**Noted**

**Noted**

- c. **agree** that the \$500,000 currently underspent in the non-Departmental Independent Advice on Government Priority Areas appropriation be transferred in the March Baseline Update to the Departmental Policy Advice category for the 2020/21 financial year

**Agree** Disagree

- d. **agree** that any ad hoc independent policy advice be charged to the Departmental appropriation should the need arise

**Agree** Disagree

- e. **note** that discussions are ongoing between the Ministry of Education and the Treasury around the future of the Independent Policy Advice appropriation

**Noted**

### Proactive Release

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- f. **agree** that this Education Report is proactively released with any appropriate withholdings under the Official Information Act

**Agree** Disagree



Dr Andrea Schöllmann  
**Deputy Secretary  
Education System Policy**

11/11/2020



Hon Chris Hipkins  
**Minister of Education**

28/11/2020

## Background

1. The Independent Advice on Government Priority Areas category (as part of the Vote Education multi category appropriation) was established in 2014/15. The Independent Advice appropriation is \$500,000 annually.
2. The appropriation's purpose is limited to the provision, independently of the Ministry of Education, of advice and associated expenses (such as travel and accommodation) to support decision making by Ministers on Government priority areas.
3. The table below indicates how the appropriation has been spent in recent years:

Year	Amount Actual	Reason
2015/16	\$224,277	Funding Review work
2016/17	N/A	No costs
2017/18	\$186,336	Education Summits and Tomorrow's Schools Independent Taskforce
2018/19	\$185,993	Tomorrow's Schools Independent Taskforce
2019/20	\$482,746	\$2,746 from the original non-Departmental appropriation spent on the Tomorrow's Schools Independent Taskforce; and \$480,000 was transferred to the Departmental appropriation

4. The Tomorrow's Schools Independent Taskforce ceased in July 2019, and the Ministry has since been progressing the policy work arising from the Government's decisions.
5. You previously agreed that \$480,000 be transferred in the March Baseline Update from the non-Departmental Independent Advice on Government Priority Areas appropriation to the Departmental Policy Advice category for the 2019/20 financial year (METIS 1218434 refers). The rationale for that transfer was so the Ministry could attend to detailed policy advice arising from the Tomorrow's Schools reforms, given that the recommendations by the Tomorrow's Schools Independent Taskforce generated policy work in a number of areas.

## Funding policy work in the 2020—21 financial year

6. As at 9 November 2020, none of the Independent Advice appropriation has been spent for 2020/21.
7. The Policy Advice portion of the Ministry's multi-category appropriation dropped by \$800,000 from the last financial year. To maintain service levels and meet increased salary costs, we recommend repurposing the underspend in the Independent Advice Category to the Policy Advice category to partially cover the drop in the Departmental appropriation.
8. Transferring funding to the Policy Advice category in the March Baseline Update will ensure the Ministry is able to progress policy work and effectively respond to the changing context due to COVID-19. If the changing context requires independent advice at any time, it is possible to charge such advice to the Departmental appropriation using an approved transfer such as this report as an explanation.
9. The March Baseline Update would be a suitable time to transfer the money from the non-Departmental output expenses category (Independent Advice on Government Priority Areas) to the Departmental output expenses category (Policy Advice).

## Risks and other considerations

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10. The Ministry's Finance team is leading a longer-term process around the future of the independent appropriation category and is discussing this with the Treasury. The Ministry's recommendation is that this appropriation is permanently transferred to the Departmental Policy Advice appropriation.

Proactively Released